



Secondary RFP Model

[For procurements to obtain personal or consultant
services valued at \$5,000 or more.]

California Department of Health Services

Contract Management Unit Publication

July 2001 Version

[Revised March 2002]

How to learn about the Secondary RFP process

Read the “Secondary Request for Proposal (RFP) User Guide” to learn more about the “high score” RFP process.

Carefully read this Secondary RFP model as it contains important information about the RFP process.

Updates to the Secondary RFP model and User Guide

As CMU makes corrections to or updates its bid models, bid forms or User Guides, CMU will post updates in its “Bid Models” Public Folder. Check the Public Folder for the latest version or each document. Recent changes appear in underscored red text.

About this model

1. This model contains:
 - Easy to understand Proposer instructions.
 - Detailed completion instructions in non-bold .
 2. Using this bid model will:
 - Shorten bid preparation time
 - Establish a consistent bid format
 - Reduce the likelihood of protests
 - Allow program staff to concentrate on developing the scope of work.
-

How to use this model

Follow the instructions below and those in the model.

1. Fill-in all areas containing .
 2. **Do not change the text color of the fill-in areas.**
 3. **Do not alter any RFP section title or “heading style”.**
 4. **Do not change the order any bid instructions/information.**
 5. **Do not delete any portion of the bid model instructions unless the instructions allow for deletions.**
 6. After reading and following the instructions, delete the program instructions that appear in **[colored type]**.
 7. Proof all data you insert into this RFP. Make sure the data is accurate, properly formatted, grammatically correct and free of typographical errors.
 8. Update the Table of Contents pagination by following the instructions in the next section.
 9. **Have someone proof your final RFP draft for errors. Correct all errors before transmitting the draft to CMU for review.**
 10. Email the final first draft to Lucy Simonidis in CMU for review and approval.
-

How to update page numbers in the Table of Contents (TOC)

After completing all fill-in sections and removing **the colored instructions**, update the page numbers in the Table of Contents (TOC). Do the following to update the page numbers:

1. Highlight or select all or a portion of the shaded Table of Contents.
 2. Press “F9” and select “**Update Page Numbers Only**”.
-

How to update the entire Table of Contents

If you updated the TOC as instructed and the page numbers in the TOC are still incorrect, do the following.

1. Re-highlight and/or select all or a portion of the Table of Contents.
2. Press **"F9"**.
3. Select **"Update entire Table"** or **"Update all field codes"**.

Do not paginate RFP Attachments, Sample Contract Form/Exhibits or Appendices.

About the TOC

The RFP TOC was created through the use of Heading styles. What this means is that the text that appears in the TOC was assigned a heading style of "Heading 1, 2, 3, or 4" instead of being assigned as "Normal" text. The text style assigned to any portion of a document is generally shown in the upper toolbar near the top of your word page in an area before the Font type and size. Generally, all you will see when you look at that area is the word "Normal" unless a unique text style was assigned to specific text.

If you accidentally remove a paragraph heading, the text of that heading will not appear in the TOC when it is updated. To add or reinstate a paragraph heading so that it appears in the TOC, place your cursor at the appropriate insertion point, use the drop down arrow to the right of the word "Normal" to select a heading style (i.e., 1-4), then enter your text. The styles used in this IFB are shown in the next section. Use Heading styles 1, 2, 3, and/or 4 depending on the physical alignment of the paragraph heading that you add. After you have inserted your heading text, press "enter" to go to the next line, and change the text style back to "Normal" for subsequent text entries. When you are finished adding the heading text, update the TOC as instructed above. If you have difficulty with these instructions, call Kathy Brown at (916) 323-2122.

RFP "Paragraph" labeling structure

CMU used the labeling structure shown below throughout this RFP. CMU did not use the automatic "Outline Number" feature available in Word. Therefore, when you add text to an RFP section (i.e., Scope of Work) follow the format shown below.

Alphabetic or Numeric label	Indention	Hanging Indent
A. Heading 1	0	.50"
1. Heading 2	.50"	.75"
a. Heading 3	.75"	1.0"
1) Heading 4	1.0"	1.25"
a)	1.25"	1.50"
i. (Roman numeral)	1.50"	1.75"
A.	1.75"	2.0"
1.	2.0"	2.25"

Who to contact if you help using the model

Email Lucy Simonidis or call Lucy at (916) 327-6479.

Department of Health Services
714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320
(916) 323-7406



January 30, 2003

Dear Interested Party:

Notice to Prospective Proposers

You are invited to review and respond to this Request for Proposal (RFP) entitled, "Medi-Cal Worker's Compensation Recovery Program" for RFP Number 03-75060. In submitting your proposal, you must comply with the instructions found herein.

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at the following Internet site: www.ols.dgs.ca.gov/standard+language/default.htm. If you do not have Internet access, a hard copy can be obtained by contacting the person signing this letter.

If a discrepancy occurs between the information appearing in the advertisement placed in the California State Contracts Register and the information herein, the information in this notice and in the RFP shall take precedence.

I. Proposal Submission Deadline

Regardless of postmark or method of delivery, the Department of Health Services' (DHS) Contract Management Unit must receive proposal packages no later than **4:00 p.m. on April 9, 2003.** Refer to the attached RFP for detailed submission requirements.

II. "Voluntary" non-binding Letter of Intent

In this procurement, prospective Proposers are required to submit a non-binding mandatory Letter of Intent. See the RFP for detailed Letter of Intent submission instructions.

III. Disabled Veteran Business Enterprise (DVBE) participation requirements

California Law requires Disabled Veteran Business Enterprise (DVBE) participation and/or performance of a good faith effort (GFE) to meet these requirements. DHS policies require DVBE participation on all contracts exceeding \$10,000. You may need four weeks or more to complete this process; therefore, you should begin this process promptly. Out-of-state firms must comply with California's DVBE participation requirements.

IV. Funding Limit

Funding for each state fiscal year is subject to an annual appropriation by the State Legislature or Congress. If full funding does not become available, DHS will cancel the resulting agreement or amend it to reflect reduced funding and reduced activities. Continuation beyond the first state fiscal year is also subject to the contractor's successful performance. Without prior DHS authorization, you may not expend funds set aside for one budget period in a subsequent budget period.

V. Proposer Questions

In the opinion of the California DHS, this Request for Proposal is complete and without need of explanation. However, if you have questions or need clarifying information, put all inquiries in writing and mail or fax them to DHS according to the instructions in the RFP section entitled, "Proposer Questions".

Thank you for your interest in DHS' service needs.

Sincerely,

Donna Martinez, Chief
Office of Medi-Cal Procurement
Medi-Cal Workers' Compensation Recovery Program



Request for Proposal 03-75060

Medi-Cal Workers' Compensation Recovery Program—Southern Region

California Department of Health Services
Office of Medi-Cal Procurement
600 North Tenth Street, Room 240C
P.O. Box 942732
Sacramento, CA 94234-7320

Table of Contents

A.	Purpose, Background and Description of Services.....	5
1.	Purpose.....	5
2.	Background.....	5
B.	Time Schedule	6
C.	Contract Term	6
D.	Proposer Questions	7
1.	What to include in an inquiry	7
2.	Question Deadline.....	7
3.	How to Submit Questions.....	8
4.	Verbal Questions.....	8
E.	Data Library.....	8
1.	Location.....	9
2.	Appointments	9
3.	Contents.....	9
4.	Obtaining Copies of Library Materials	10
F.	Pre-Proposal Conference.....	10
G.	Reasonable Accommodations	11
H.	“Voluntary” Letter of Intent	11
1.	General information.....	11
2.	Submitting a Letter of Intent	11
I.	Scope of Work.....	12
J.	Qualification Requirements	12
K.	Proposal Format and Content Requirements.....	13
1.	General Instructions	13
2.	Format Requirements	14
3.	Content Requirements	15
a.	<u>Proposal Cover Page</u>	15
b.	<u>Table of Contents</u>	15
c.	<u>Executive Summary Section</u>	15
d.	<u>Agency Capability Section</u>	16
e.	<u>Work Plan Section</u>	17
1)	Overview	17
2)	Rejection of tasks, activities or functions.....	18
3)	Work Plan content	18
f.	<u>Start-Up/Take-Over Plan Section</u>	18
g.	<u>Management Plan Section</u>	19

h.	<u>Project Personnel Section</u>	19
i.	<u>Cost Section</u>	21
	1) Basic content	21
	2) General instructions	21
	3) Cost Proposal	22
	4) Cost Recovery Amount and Annual Recovery Amount	22
	5) Cost Proposal Form	22
	6) Financial Stability and Guaranty Provisions Plan	24
j.	<u>Appendix Section</u>	24
k.	<u>Forms Section</u>	26
L.	Proposal Submission	27
	1. General Instructions	27
	2. Proof of Timely Receipt	28
	3. Proposer Costs	28
M.	Evaluation and Selection	28
	1. Stage 1 – Required Attachment / Certification Checklist Review	29
	2. Stage 2 – Acceptable/Unacceptable Determination of Technical Proposals	29
	3. Stage 3 – Scoring the Cost Section	31
	a) Errors in the Cost Proposal Response	31
	b) Proposer Estimated Annual Recovery – Evaluation Criteria	31
	4. Stage 4 – Combining Narrative Proposal Score and Cost Section Score	32
	5. Stage 5 – Adjustments to Score Calculations for Bidding Preferences	32
	6. Stage 6 – Final Score Calculation	33
N.	Narrative Proposal Rating Factors	33
	1. Executive Summary	33
	2. Agency Capability	34
	3. Work Plan	35
	4. Management Plan	36
O.	Bid Requirements and Information	42
	1. Non-responsive Proposals	42
	2. Proposal Modifications after Submission	42
	3. Withdrawal and/or Resubmission of Proposals	43
	a. Withdrawal Deadlines	43
	b. Submitting a Withdrawal Request	43
	c. Resubmitting a Proposal	43
	4. Contract Award and Protests	43
	a. Contract Award	43
	b. Settlement of ties	44

c.	Protests	44
1)	Who can protest	44
2)	Grounds for protests	44
3)	Protest time lines	44
4)	Submitting a protest	44
5.	Disposition of Proposals	45
6.	Inspecting or Obtaining Copies of Proposals	45
a.	Who can inspect or copy proposal materials	45
b.	What can be inspected/copied and when	46
c.	Inspecting or obtaining copies of proposal materials	46
7.	Verification of Proposer information	46
8.	DHS rights	46
a.	RFP corrections	46
b.	Collecting information from Proposers	47
c.	Immaterial proposal defects	47
d.	Correction of clerical or mathematical errors	48
e.	Right to remedy errors	48
f.	No contract award or RFP cancellation	48
g.	Contract amendments after award	48
h.	Proposed use of subcontractors and/or independent consultants	48
i.	Staffing changes after contract award	48
P.	Bidding Certification Clauses	48
1.	Certificate of Independent Price Determination	48
2.	Debarment and Suspension Certification	49
3.	Lobbying Restrictions and Disclosure	50
Q.	Preference Programs	50
1.	Small Business Enterprises (including Micro-businesses)	50
2.	Target Area Contract Preference Act (TACPA) and Enterprise Zone Act (EZA)	51
3.	Combined Preferences	52
R.	Contract Terms and Conditions	52
1.	Sample Contract Forms / Exhibits	53
2.	Unanticipated Tasks	53
3.	Resolution of Language Conflicts (RFP vs. Final Agreement)	53
S.	Required Attachments	

Attachment #	Attachment Name
Attachment 1	Proposal Cover Page

Attachment #	Attachment Name
Attachment 2	Required Attachment/Certification Checklist
Attachment 3	Proposer Information Sheet
Attachment 4	Proposer References
Attachment 5	RFP Clause Certification
Attachment 6	CCC 103 - Certification
Attachment 7	Payee Data Record
Attachment 8	DVBE Instructions/ Forms with Attachment 8a, Actual DVBE Participation and Attachment 8b, Good Faith Effort
Attachment 9	Target Area Contract Preference Request
Attachment 10	Enterprise Zone Act (EZA Preference Request)
Attachment 11	Cost Proposal Form
Attachment 12	"Voluntary" Letter of Intent
Attachment 13	Conflict of Interest Compliance Certificate

T. Sample Contract Forms / Exhibits

Exhibit #	Exhibit Name
Exhibit A 1	Standard Agreement
Exhibit A	Scope of Work
Exhibit B	Budget Detail and Payment Provisions
Exhibit C	General Terms and Conditions (GTC 103). View or download at this Internet site http://admin.int.dhs.ca.gov/forms/html/contracts.htm
Exhibit D (F)	Special Terms and Conditions
Exhibit E	Additional Terms and Conditions
Exhibit F	Contractor's Release
Exhibit G	Attestation of Understanding/Agreement Form

U. Program Appendices

Appendix #	Appendix Name
Appendix 1	Driving instructions to the Office of Medi-Cal Procurement
Appendix 2	Workers' Compensation Data and Information Library Listing
Appendix 3	Acronyms List
Appendix 4	Driving instructions and map to the Bidder's Conference

A. Purpose, Background and Description of Services

1. Purpose

The California Department of Health Services (DHS), Medi-Cal Workers' Compensation Recovery Program (WCRP) is soliciting proposals from firms that are able to be responsible for the Medi-Cal recoveries involving Workers' Compensation (WC) claims filed with insurance carriers and/or the Workers' Compensation Appeals Board (WCAB). Proposals must address all of the services described in Exhibit A entitled, "Scope of Work".

The Medi-Cal WCRP intends to make a two single contract awards to the most responsive and responsible firm(s) earning the highest score for a Northern and/or Southern region. It is possible for a single firm to be chosen for both awards and for the recovery rate to be different in each region. This Request for Proposal (RFP) is for the Southern Region only and encompasses 10 counties. The 10 counties designated in the WCRP contract for the Southern California Region are: Imperial; Kern; Los Angeles; Orange; Riverside; San Bernardino; San Diego; San Luis Obispo; Santa Barbara; and Ventura.

This procurement is open to all eligible firms and/or individuals that meet the qualification requirements, including commercial businesses, nonprofit organizations, State or public universities (including auxiliary organizations) and other entities.

2. Background

In July 1965, the Social Security Act (SSA) was amended to add Title XVIII, which established the Medicare Program, and Title XIX, which established the state-option Medicaid Program, in California as Medi-Cal. Title XIX provided federal reimbursement (called "federal financial participation") to those states that implemented a Medicaid Program.

California State legislation implementing the Title XIX program was signed in November 1965. Medi-Cal, the California Medicaid program, became effective in March 1966. Prior to the start of Medi-Cal, indigent Californians were provided health care services through a variety of programs administered by the counties. With the advent of Medi-Cal, a wide range of health benefits are provided uniformly to certain individuals throughout the State whose income and resources are insufficient to meet the costs of necessary medical services without jeopardizing the person's, or family's, self-maintenance and security.

Title XIX, Section 1902, Subsection (a) (25) of the SSA directs any state agency administering a plan for medical assistance under this chapter to take all reasonable measures to determine the legal responsibility of a party or carrier as it relates to the payment of medical care arising out of an injury-related illnesses or injuries. If a carrier is legally liable, the State shall seek reimbursement to the extent of legal liability.

In 1981, Welfare and Institutions Code Section 14124.82 directed the State to enter into at least two pilot project contracts for WC recoveries. Subsequent to the expiration of the pilot project contracts, W&I Code Section 14124.88 allowed the Department of Health Services, at its discretion, to continue contracting out the WCRP. However, a separate contract is required for the northern region and the southern region. As such, the State has contracted out the WCRP since 1991.

Each Contractor receives a fixed percentage based on the amount of recoveries collected on behalf of the State for WC cases, under the terms of their contracts.

Medi-Cal WCRP recovery cases are developed and carried out from the discovery of a case to closure or settlement. All cases discovered and filed with the appropriate WC carrier or WCAB prior to the termination and/or expiration of this contract shall remain with the existing Contractor. Extensive transition activities are not contemplated from the current Contractor to the new Contractor. Upon termination of the existing contract, unprocessed potential case referrals (as identified and provided by the Department) will be transferred to the new Contractor within thirty State working days of the expiration of the contract. There will also be a transparent change over in some of the administrative areas of the contract to provide the successful Contractor with the necessary systems access and claims data to perform the work described in this RFP. WCRP cases are identified by an electronic data match between the Department of Industrial Relations and the Medi-Cal Eligibility Data Systems (MEDS). Matching data will be forwarded to the successful Contractor(s). Access to eligibility information and resources to order Medi-Cal beneficiary claim history reports will be available for each region. Refer to Scope of Work and Data Library Listing, for additional information and/or examples.

Contractor recovery of Medi-Cal expenditures in WCRP cases for fiscal year 01/02 were approximately 2.6 million dollars. A listing of the WCRP lien figures supplied to the Department in the quarterly, and fiscal year reports submitted by the current Contractors are available for viewing in the Data Library, beginning January 29, 2003.

Please refer to Appendix 2, Data Library Listing.

B. Time Schedule

Below is the tentative time schedule for this procurement:

Event	Date	Time (If applicable)
RFP Released	2/3/03	
Questions Due	2/10/03	4:00 p.m.
Voluntary Pre-Proposal Conference	2/13/03	10:00 a.m.
Voluntary Letter of Intent	2/25/03	4:00 p.m.
Proposal Due Date	4/9/03	4:00 p.m.
Notice of Intent to Award Posted	5/19/03	
Protest Deadline	6/23/03	5:00 p.m.
Contract Award Date	6/30/03	
Proposed Start Date of Agreement	7/1/03	

C. Contract Term

The term of the resulting agreement is expected to be 36 months and is anticipated to be effective from July 1, 2003 through June 30, 2006. The agreement term may change if DHS

makes an award earlier than expected or if DHS cannot execute the agreement in a timely manner due to unforeseen delays.

The resulting contract will be of no force or effect until it is signed by both parties and approved by the Department of General Services (DGS), if required. The Contractor is hereby advised not to commence performance until all approvals have been obtained. Should performance commence before all approvals are obtained, said services maybe considered to have been volunteered, if all approvals are not obtained.

D. Proposer Questions

Immediately notify DHS if you need clarification about the services sought or have questions about the RFP instructions or requirements. Put your inquiry in writing and transmit it to DHS as instructed below. At its discretion, DHS reserves the right to contact an inquirer to seek clarification of any inquiry received.

Proposers that fail to report a known or suspected problem with the RFP or fail to seek clarification and/or correction of the RFP shall submit a proposal at their own risk.

If an inquiry appears to be unique to a single firm or is marked "Confidential", DHS will mail or fax a response only to the inquirer if DHS concurs with the Proposer's claim that the inquiry is sensitive or proprietary in nature. If DHS does not concur, the inquiry will be answered in the manner described herein and the Proposer will be so notified. Inquiries and/or responses that DHS agrees should be held in confidence shall be held in confidence only until the Notice of Intent to Award is posted.

To the extent practical, inquiries shall remain as submitted. However, DHS may consolidate and/or paraphrase similar or related inquiries.

1. What to include in an inquiry

- a. Your name, name of your firm, mailing address, area code and telephone number, and fax number.
- b. A description of the subject or issue in question or discrepancy found.
- c. RFP section, page number or other information useful in identifying the specific problem or issue in question.
- d. Remedy sought, if any.

A proposer that desires clarification about specific RFP requirements and /or whose inquiry relates to sensitive issues or proprietary aspects of a proposal may submit individual inquiries that are marked "Confidential". The Proposer must include with its inquiry an explanation as to why it believes questions marked "Confidential" are sensitive or surround a proprietary issue.

2. Question Deadline

DHS will accept questions or inquiries about the following issues if such inquiries are received prior to the proposal submission deadline.

- a. DVBE participation requirements and how to complete the DVBE attachments,
- b. The reporting of RFP errors or irregularities.

Proposers are encouraged to submit written inquiries about this RFP to DHS no later than two (2) working days before the Pre-Proposal Conference date so answers can be prepared in advance. DHS will accept written or faxed inquiries received by 4:00 p.m. on February

10. 2003. At its discretion, DHS may contact an inquirer to seek clarification of any inquiry received.

3. How to Submit Questions

Submit inquiries using one of the following methods.

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Questions RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement Attention: Jesse Tanguileg 600 North 10 th Street, Room 240C P.O. Box 942732 Sacramento, CA 94234-7320	Questions RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement Attention: Jesse Tanguileg Fax: (916) 323-7456

Proposers submitting inquiries by fax are responsible for confirming the receipt of all faxed materials by the question deadline.

Call Jesse Tanguileg at (916) 323-7406 to confirm faxed transmissions.

Proposer Warning

DHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If you mail your questions, consider using certified or express mail and request a receipt upon delivery. If you choose hand delivery, allow sufficient time to locate parking and to sign-in at the security desk.

For driving and parking instructions, see Appendix 1.

4. Verbal Questions

Verbal inquiries are discouraged. DHS reserves the right not to accept or respond to verbal inquiries. **Spontaneous verbal remarks provided in response to verbal inquiries are unofficial and are not binding on DHS unless later confirmed in writing.**

Direct all verbal requests for DVBE assistance to DHS' DVBE coordinator at (916) 324-0140 up to the proposal deadline.

E. Data Library

A Data Library for the sole use of Proposers will be established on **February 3, 2003**. The Data Library will be accessible **by appointment** on State working days Monday through Friday from 8:00 a.m. to noon, and 1:00 p.m. to 4:00 p.m. Access to the Data Library is restricted to authorized proposers and/or their authorized representatives who have established an advanced appointment through the process described below. Your organization must have a complete, signed set of Authorization Documents on file with the Office of Medi-Cal Procurement. All Authorization Documents (available upon request) shall be signed by the same official and include:

Data Library Confidentiality Agreement
 List of Authorized Personnel

1. Location

DHS will maintain the Data Library at the following location:

Department of Health Services
Office of Medi-Cal Procurement
600 North 10th Street, Room 240C
Sacramento, CA 95814

For driving and parking instructions, see Appendix 1.

2. Appointments

Appointments to access the Data Library may be arranged by contacting DHS through one of the following methods: Include the following information in your appointment request:

- a. Name
- b. Title
- c. Firm you represent
- d. Telephone number and area code
- e. Fax number and area code
- f. Email address, if applicable
- g. Desired date of visit (please also include alternate dates)
- h. Desired time of visit

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Library Appointment RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement Attention: Jesse Tanguileg 600 North 10 th Street, Room 240C P.O. Box 942737 Sacramento, CA 94234-7320	Library Appointment RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement Medi-Cal WCRP Project Attention: Jesse Tanguileg Fax: (916) 323-7456
Telephone: Contact Jesse Tanguileg at (916) 323-7406	

Proposer Warning

DHS' internal processing of U.S. mail may add 48 or more hours to the delivery time. If you mail your appointment request, consider using certified or express mail and request a receipt upon delivery. If you choose hand delivery, allow sufficient time to locate parking and to sign-in at the security desk.

For driving and parking instructions, see Appendix 1.

3. Contents

The Data Library contains various documentation and information that Proposers may find beneficial in the preparation of their proposal responses. Data Library materials may be periodically updated and additional documents may be added. Proposers that have

requested access to the Data Library will be notified of the additions and/ or changes by way of written notice.

For a complete list of Data Library materials, see Appendix 2.

4. Obtaining Copies of Library Materials

Proposers that wish to obtain reproduced copies of Data Library materials may, do so by contacting Jesse Tanguileg at (916) 323-7406. Proposers are encouraged to provide their own copying services when possible.

DHS will fulfill all requests for reproduced copies of Data Library materials as promptly as possible.

DHS will assess photocopying fees at a rate of ten cents per page, applicable fees to cover the cost of reproducing other media, such as computer blank/floppy disks or CD-R's supplied by the Proposer and mailing and delivery costs. A check or money order made payable to the DHS will be required before materials are mailed or released.

F. Pre-Proposal Conference

DHS will conduct a voluntary Pre-Proposal Conference in Sacramento on **February 13, 2003** beginning at 10:00 am at the following location:

Department of Health Services
601 North 7th Street, Auditorium
Sacramento, CA 95814

Prospective Proposers that intend to submit a proposal are encouraged to attend the voluntary Pre-Proposal Conference. It shall be each prospective Proposer's responsibility to attend the Pre-Proposal Conference promptly at 10:00 a.m. DHS reserves the right not to repeat information for participants that join the conference after it has begun.

If a potential prime contractor is unable to attend the voluntary Pre-Proposal Conference, an authorized representative of its choice may attend on its behalf. The representative may only sign-in for one potential prime contractor. Subcontractors may represent a potential prime contractor at the voluntary Pre-Proposal Conference.

The voluntary Pre-Proposal Conference is a public event or meeting and anyone can attend.

The purpose of the conference is to:

1. Allow prospective Proposers to ask questions about the services sought or RFP requirements and/or instructions.
2. Share the answers to general questions and inquiries received before and during the conference.

Spontaneous verbal remarks provided in response to questions/inquiries are unofficial and are not binding on DHS unless later confirmed in writing.

Carefully review this RFP before the conference date to familiarize yourself with the qualification requirements, scope of work and proposal content requirements. Prospective Proposers are encouraged to have their copy of this RFP available for viewing during the conference.

Refer to the RFP section entitled, "Proposer Questions" for instructions on how to submit written questions and inquiries before the conference date.

If DHS is unable to respond to all inquiries received before and/or during the conference, DHS will provide written answers shortly thereafter. DHS reserves the right to determine which inquiries will be answered during the conference and which will be answered later in writing.

After the conference, DHS will summarize all general questions and issues raised before and during the conference and mail or fax the summary and responses to all persons who received this RFP, and to those who attended/participated in the conference. If an inquiry appears to be unique to a single firm or is marked "Confidential", DHS will mail or fax a response only to the inquirer if DHS concurs with the Proposers claim that the inquiry is sensitive or proprietary in nature. If DHS does not concur, the inquiry will be answered in the manner described herein and the Proposer will be so notified. Inquiries and/or responses that DHS agrees should be held in confidence shall be held in confidence only until the Notice of Intent to Award is posted.

To the extent practical, inquiries shall remain as submitted. However, DHS may consolidate and/or paraphrase similar or related inquiries.

Proposers are responsible for their costs to attend/participate in the conference. Those costs cannot be charged to DHS or included in any cost element of the Proposers price offering.

For driving and parking instructions for the Pre-Proposal Conference, see Appendix 1.

G. Reasonable Accommodations

Upon request, DHS will provide reasonable accommodation to a prospective Proposer with a physical impairment who needs assistance to participate/attend the Pre-Proposal Conference. Call Jesse Tanguileg at (916) 323-7406 **no later than February 7, 2003** to arrange for reasonable accommodations. Contact the Office of Civil Rights for assistance in obtaining accommodations for the disabled.

H. "Voluntary" Letter of Intent

1. General information

Prospective Proposers that intend to submit a proposal are required to indicate their intention to submit a proposal. Failure to submit the Letter of Intent will result in proposal rejection. The Voluntary Letter of Intent is not binding and prospective Proposers are not required to submit a proposal merely because a Letter of Intent is submitted. **Use the Letter of Intent (Attachment 12) for this purpose.**

2. Submitting a Letter of Intent

Regardless of delivery method, the "Voluntary" Letter of Intent must be received by **4:00 p.m. on February 25, 2003.**

Submit the Letter of Intent using one of the following methods.

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Letter of Intent RFP 03-75060 Department of Health Services Office of Med-Cal Procurement Attention: Jesse Tanguileg 600 North 10 th Street, Room 240C P.O. Box 942737 Sacramento, CA 94234-7320	Letter of Intent RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement Attention: Jesse Tanguileg Fax: (916) 323-7456

Proposers transmitting a Letter of Intent by fax are responsible for confirming the receipt of the faxed Letter of Intent by the stated deadline.

Call Jesse Tanguileg at (916) 323-7406 to confirm faxed transmissions.

3. Proposer Warning

DHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If you mail the Letter of Intent, consider using certified or expressed mail and request a receipt confirming delivery date and time. If you choose hand delivery, allow sufficient time to locate parking and to sign-in at the security desk.

For driving and parking instructions, see Appendix 1.

I. Scope of Work

See Exhibit A entitled, "Scope of Work" that is included in the Sample Contract Forms and Exhibits section of this RFP. Exhibit A contains a detailed description of the services and work to be performed as a result of this procurement.

J. Qualification Requirements

Failure to meet the following requirements by the proposal submission deadline will be grounds for DHS to deem a Proposer non-responsive. Evaluators may choose not to thoroughly review or score proposals that fail to meet these requirements. In submitting a proposal, each Proposer must certify and prove that it possesses the following qualification requirements.

1. At least three consecutive years of experience of the type(s) listed below. All experience must have occurred within the past five years. It is possible to attain the experience types listed below during the same time period. Each Proposer must have the legal capacity to enter into a contract with the State and must meet the State's financial viability requirements. If a Proposer is bidding for more than one Region, it must meet the cumulative financial requirements for all the Region bids. Any contract awarded to a Proposer must identify such Proposer as the contractor, who shall assume all rights and responsibilities.
2. The Proposer must have relevant prior experience similar to the work contemplated by this RFP, and which demonstrates the Proposers ability to perform the work. Such experience may consist of a combination of experience either by the Proposer or by a parent corporation of the Proposer, or the relevant work experience of a subcontractor. If the prior experience and demonstrated ability requirements are to be met by the experience of subcontractors, documentation of the subcontractors' experience of and ability must be formally submitted and accepted as part of the Proposers' Technical Proposal. Consideration will be given to

the takeover, development, modification and/or operation of any recovery program with particular emphasis on:

- a. Workers' Compensation Recovery Programs
 - b. Medicaid Programs
 - c. Government Contracts
 - d. Other Third Party Liability Recovery Programs
3. Proposers must certify that they have read and are willing to comply with all proposed terms and conditions addressed in the RFP section entitled, "Contract Terms and Conditions", including the terms appearing in the referenced contract exhibits and attachments.
 4. **Corporations** must certify that they are in good standing and qualified to conduct business in California.
 5. **Non-profit organizations** must certify they are eligible to claim nonprofit status.
 6. Proposers must certify that they have a past record of sound business integrity and a history of being responsive to past contractual obligations.
 7. Proposers must certify they are financially stable and solvent and have adequate cash reserves to meet all financial obligations while awaiting reimbursement from the State.
 8. Proposers must either achieve actual Disabled Veteran Business Enterprise (DVBE) participation **or** make an adequate Good Faith Effort (GFE) to meet the DVBE participation requirements. Detailed requirements are outlined in **Attachment 8** (DVBE Instructions/Forms). This requirement applies if you offer a total cost or price that is \$10,000 or more.
 9. The winning Proposer must supply, before contract execution, proof of liability insurance that meets the requirements of Provision 17 of **Exhibit D (F)** entitled, Special Terms and Conditions.
 10. Proposers must certify and submit proof that no prohibited conflict of interest exists.

K. Proposal Format and Content Requirements

1. General Instructions

- a. Each firm or individual may submit only one proposal for each RFP region.

For the purposes of this paragraph, "firm" includes a parent corporation of a firm and any other subsidiary of that parent corporation. If a firm or individual submits more than one proposal, DHS will reject all proposals submitted by that firm or individual.

A firm or individual proposing to act as a prime contractor may be named as a subcontractor in another Proposers proposal. Similarly, more than one Proposer may use the same subcontractors and/or independent consultants.

- b. Develop proposals by following all RFP instructions and/or clarifications issued by DHS in the form of question and answer notices, clarification notices, Administrative Bulletins or RFP addenda.

- c. Before submitting your proposal, seek timely written clarification of any requirements or instructions that you believe to be vague, unclear, or that you do not fully understand.
- d. In preparing your proposal response, all narrative portions should be straightforward, detailed and precise. DHS will determine the responsiveness of a proposal by its quality, not its volume, packaging or colored displays.
- e. Arrange for the timely delivery of your proposal package(s) to the address specified in this RFP. Do not wait until shortly before the deadline to submit your proposal.

2. Format Requirements

- a. Submit one (1) original proposal and five (5) copies or sets, and one (1) copy on CD-R in any DHS standard platform (i.e. Word, Excel, Adobe).
 - 1) Write “**Original**” on the original proposal set.
 - 2) Each proposal set must be complete with a copy of all required attachments and documentation.
- b. Format the narrative portions of the proposal as follows:
 - 1) Use one-inch margins at the top, bottom, and both sides.
 - 2) Use a font size of not less than 11 points.
 - 3) Print pages single-sided on white bond paper.
 - 4) Sequentially paginate the pages in each section. It is not necessary to paginate items in the Forms Section or Appendix Section.
- c. Bind each proposal set in a way that enables easy page removal. Loose leaf or three-ring binders are acceptable.
- d. All RFP attachments that require a signature must be signed in ink, preferably in a color other than black.
 - 1) Have a person who is authorized to bind the proposing firm sign each RFP attachment that requires a signature. Signature stamps are not acceptable.
 - 2) Place the originally signed attachments in the proposal set marked “Original”.
 - 3) The RFP attachments and other documentation placed in the extra proposal sets may reflect photocopied signatures.
 - 4) For the CD-R copy: any document requiring a signature or any document that cannot be electronically copied should be scanned and placed on the Compact Disc as a PDF file.
- e. Do not mark any portion of your proposal response, any RFP attachment or other item of required documentation as “Confidential” or “Proprietary”. DHS will disregard any language purporting to render all or portions of a proposal confidential.

3. Content Requirements

This section specifies the order and content of each proposal. Assemble the materials in each proposal set in the following order:

a. Proposal Cover Page

A person authorized to bind the Proposer must sign the Proposal Cover Page (**Attachment 1**). If the Proposer is a corporation, a person authorized by the Board of Directors to sign on behalf of the Board must sign the Proposal Cover Page.

b. Table of Contents

Properly identify each section and the contents therein. Paginate all items in each section with the exception of those items placed in the Forms Section and Appendix Section.

c. Executive Summary Section

In preparing your Executive Summary, do not simply restate or paraphrase information in this RFP. Describe or demonstrate, in your own words, the following information.

- 1) Your understanding of DHS' needs and the importance of this project.
- 2) The tangible results that you expect to achieve.
- 3) Your firm's sincere commitment to perform the scope of work in an efficient and timely manner.
- 4) How you will effectively integrate this project into your firm's current obligations and existing workload.
- 5) Why your firm should be chosen to undertake this work at this time.
- 6) A description of all resources available to support the Proposers performance of all obligations under contract, including the full performance by any subcontractors.
- 7) An attestation that this contract will be high priority to the Proposer and that the Proposer is committed to supplying any necessary resources to meet the contractual obligations.
- 8) If subcontractors are included as a part of the Proposer's technical proposal, the attestation of each subcontractor that this contract is of high priority to the subcontractor and that the subcontractor is committed to supplying any necessary resources to meet contractual obligations.
- 9) If the Proposer is a subsidiary organization, the attestation of the parent organization that this contract is of high priority to the parent organization, and that the parent organization is committed to supplying any necessary resources to assure full performance of the contract.
- 10) Proposer commitment to research, develop and produce Medi-Cal case recoveries related to WC actions.

- 11) The priority this contract will have among the range of activities and projects conducted by the Proposer.

d. Agency Capability Section

- 1) Include a brief history of your firm, including:
 - a) Date of establishment. If applicable, explain any changes in your business history or organizational structure that will assist DHS in determining your qualifications.
 - b) A description of your firm's goals that are relevant, closely related, or will complement this project.
- 2) Describe the experience that qualifies your firm to undertake this project. At a minimum, demonstrate your firm's possession of three consecutive years of experience of the types listed in this section. All experience must have occurred within the past five years. It is possible to attain the experience types listed below during the same time period. The Proposers must have experience:
 - a) At least three consecutive years of experience of the type(s) listed below. All experience must have occurred within the past five years. It is possible to attain the experience types listed below during the same time period. Each Proposer must have the legal capacity to enter into a contract with the State and must meet the State's financial viability requirements. If a Proposer is bidding for more than one region, it must meet the cumulative financial requirements for each Region. Any contract awarded to a Proposer must identify such Proposer as the contractor, who shall assume all rights and responsibilities.
 - b) The Proposer must have relevant prior experience similar to the Scope of Work described by this RFP, and which demonstrates the Proposers ability to perform such work. Such experience may consist of a combination of experience either by the Proposer or by a parent corporation of the Proposer, or the relevant work experience of a subcontractor. If the prior experience and demonstrated ability requirements are to be met by the experience of subcontractors, documentation of the subcontractors' experience and ability must be formally submitted and accepted as part of the Proposers' Technical Proposal. Consideration will be given to the takeover, development, modification and/or operation of any recovery program with particular emphasis on:
 - Worker's Compensation Recovery Programs
 - Medicaid Programs
 - Other Third Party Liability Recovery Programs
- 3) Briefly, describe the accounts or work projects begun and/or completed in the past three years that involved services similar in nature or closely related to the Scope of Work in this RFP. For each account or project listed, include the following information:
 - a) Name of agency or firm for whom services were performed.
 - b) Duration or length of the project.

- c) Total cost or value of the project (amount of recoveries).
 - d) Indicate if the account or project is "active/open" or "closed/settled".
 - e) Describe briefly the type and nature of the services you performed, including the volume of Worker's Compensation recovery cases handled on an ongoing basis.
 - f) Any performance problems encountered.
- 4) Briefly describe any experience that demonstrates your firm's ability to establish and maintain effective working relationships with government entities, local community based organizations, and private nonprofit organizations.
 - 5) Identify three client references that your firm has serviced in the past five years that can confirm their satisfaction with your services and confirm if your firm provided timely and effective services or deliverables. Use the Proposer References (**Attachment 4**) for this purpose. **Place the completed Proposer References form in the Forms section of your proposal.**
 - 6) Proposers must submit a description of other existing and projected Medicaid or Medicare contracts, projects or obligations, and the resources required to fulfill each. Describe any foreseeable conflicts between the existing obligations and this contract with respect to business resources, including personnel and financial resources. Describe how any conflicts would be handled based on Proposer's experience.
 - 7) Describe any pre-existing or contingent subcontracting arrangements, including name and type of subcontractor, and summary of functions that will be subcontracted. Discuss briefly any past or perspective subcontracting arrangements that may be used again on an as needed basis to fulfill the requirements of this contract.
 - 8) If the Proposer is a subsidiary of another business entity, and the Proposal relies at all on the business experience of that parent entity, the Proposer experience submission requirements of the RFP shall apply to the parent entity. The Proposer shall clearly identify whether the experience discussed is that of the Proposer or the parent entity.

e. Work Plan Section

1) Overview

- a) DHS is interested in proposals that provide well-organized, comprehensive and technically sound business solutions. Vague explanations will undermine your firm's credibility and will result in reduced proposal scores.
- b) The Work Plan must include an in-depth discussion and description of the methods, approaches and step-by-step actions that will be carried out to fulfill all Scope of Work requirements.

If the nature of a task or function hinders specific delineation of in-depth methods and procedures (e.g., a task is dependent upon a future action or multiple approaches may be used), explain the probable methods, approaches or procedures that you will use to accomplish the task or function. Also, describe, in this instance, how you will propose the ultimate strategies and detailed plans to DHS for full consideration and approval before you proceed to carry out the project.

- c) If, for any reason, the Work Plan does not wholly address each Scope of Work (SOW) requirement, fully explain each omission.

2) Rejection of tasks, activities or functions

- a) If full funding does not become available, is reduced, or DHS determines that it does not need all of the services described in this RFP; DHS reserves the right to offer an amended contract for reduced services.

3) Work Plan content

- a) Explain or describe the overall approach and/or methods that you will use to accomplish the scope of work.
- b) Explain why you chose the particular approaches and methods that are proposed (e.g., proven success or past effectiveness, etc.).
- c) If applicable, explain what is unique, creative, or innovative about your proposed approaches and/or methods.
- d) If you envision any major complications or delays at any stage of performance, describe those complications or delays and include a proposed strategy for overcoming those issues. Likewise, indicate if you do not anticipate any major complications or delays.
- e) Identify the specific tasks/activities and functions that you will perform in the order you believe they will occur. Include the following in-depth information for each task/activity or function in the work plan:

- i. Indicate who will have primary responsibility for performing each major task/activity or function. If known, identify the name and position title of all key personnel, subcontractors and/or consultants that will perform the work.

If the responsible party is unknown or not yet identified, identify a staff position title or project name/title and indicate "TBD" which is the abbreviation for "to be determined".

- ii. Include a performance time line for each major task/activity or function. Indicate the approximate beginning and ending month and year. If a task/activity or function will only occur in one fiscal period or year, indicate the beginning and ending month and year.

If desirable, in addition to start and end dates, you may use other terms such as start-up, on-going, continuous, take-over, turnover, etc. to describe the performance time line. In doing so, you must define the meaning of each unique term that you use.

- iii. Explain/describe how you intend to measure or prove successful completion of each major task, function or activity.

If applicable, identify the key events or outcomes that will signify completion or identify tangible items (deliverables) that will result at the conclusion of the various tasks/activities or functions.

f. Start-Up/Take-Over Plan Section

Describe an initial overall plan and/or approach for start-up/take-over activities as described in the Scope of Work. Address any foreseeable transition complications and potential methods for dealing with or resolving transition complications to minimize the disruption of existing services. Proposers must submit a finalized Start-Up/Take-Over plan to the State for approval within thirty (30) days after the contract start date.

g. Management Plan Section

- 1) Describe how you will effectively coordinate, manage and monitor the efforts of the assigned staff, including subcontractors and/or consultants, if any, to ensure that all tasks, activities and functions are completed effectively and in a timely manner.
- 2) Describe the fiscal accounting processes and budgetary controls you will use to ensure the responsible use and management of contract funds and accurate invoicing. Include at a minimum, a brief description of all of the following:
 - a) Your fiscal reporting and monitoring capabilities (e.g., spread sheets, automated fiscal reports, quality controls, checks and balances, etc.) to ensure contract funds are managed responsibly.
 - b) Proposed billing or invoicing frequency (not more frequently than once per month). Electronic billing is not possible.
 - c) Identify the documentation that you will maintain on file or submit to DHS upon request to prove, support and/or substantiate the expenses that are invoiced to DHS.
- 3) Include an organization chart. Instructions are explained in the Appendix section. **Place the organization chart in the Appendix section of your proposal.**
- 4) Include financial statements. Instructions are explained in the Appendix section. **Place the financial statement in the Appendix section of your proposal.**

h. Project Personnel Section

- 1) In this section, describe your proposed staffing plan. In the staffing plan, include at a minimum:
 - a) Identify by name and/or position title, each key staff person that will have the primary responsibility for managing, directing, overseeing and/or coordinating the work of assigned staff, subcontractors and/or independent consultants and who will maintain effective communications with DHS. (i.e., Contractor's Representative, President, key Information Technology staff, key Accounting and/or Administrative staff).
 - b) Briefly, describe each person's expertise, capabilities and credentials.
 - c) Emphasize any relevant past experience in direction, overseeing, coordinating or managing other government projects.
 - d) Include a resume for each staff person (professional, managerial, or supervisory) that will exercise a major administrative, policy, or consulting role in carrying out the project work. **Place resumes in the Appendix section.** To the extent

possible, resumes should not include personal information such as social security number, home address, home telephone number, marital status, sex, birth date, age etc.

- 2) Briefly, describe the administrative policies or procedures you will use to ensure that you will recruit and select well-qualified, competent, and experienced in-house staff, subcontractors and/or independent consultants.
 - a) If employee recruitment/selection policies or procedures are present in an operations manual, you may cite excerpts from such manuals. Do not simply indicate that such policies exist and do not attach copies of any policies or manuals to your proposal. If deemed necessary, DHS may request copies of your existing manuals or policies.
- 3) Briefly, describe the processes or procedures that you will use to ensure that vacancies are filled expeditiously and that services are continued despite the presence of vacancies.
- 4) Describe the training process utilized by the Proposer to ensure that the Scope of Work requirements are achieved.
- 5) If subcontractors (including independent consultants) will be used to perform contract services, Proposers must do the following at the time of proposal submission:
 - a) Indicate if you have pre-identified any firms/persons to perform the work or if you will recruit them later.
 - i. For each pre-identified subcontractor and independent consultant include:
 - A. Full legal name.
 - B. A brief description of the major duties and functional responsibilities that you intend to assign to the subcontracted firm or independent consultant.
 - C. A brief explanation as to why you chose the subcontracted firm or independent consultant. Stress things such as applicable skills, knowledge, capabilities, past experience or accomplishments, availability, reasonableness of rates, expertise in a field or specialty, etc.
 - D. A resume for each pre-identified subcontractor and independent consultant. **Place all subcontractor and/or consultant resumes in the Appendix section.** To the extent possible, resumes should not include personal information such as a social security number, home address, home telephone number, marital status, sex, birth date, age, etc.
 - E. A letter of agreement, signed by an official representative of each subcontracted firm or independent consultant. **Place all subcontractor and/or consultant letters of agreement in the Appendix section.**

Specific subcontractor and/or independent consultant relationships proposed in response to this RFP (i.e., identification of pre-identified subcontractors and independent consultants) shall not be changed during the procurement process or prior to contract execution. The pre-identification of a subcontractor or independent consultant does not affect

DHS' right to approve personnel or staffing selections or changes made after the contract award.

- ii. For subcontractors and/or independent consultants that cannot be identified when the proposal is submitted to DHS or are to be determined (TBD) after the contract is executed, include:
 - A. An identification of the functions, activities and responsibilities that you intend to assign to each subcontractor and/or independent consultant.
 - B. A description of the process that you will use to obtain DHS approval of each subcontractor and/or independent consultant selection along with approval of their budgeted costs and assigned responsibilities.

h. Cost Section

1) Basic content

The cost proposal must be submitted in separate sealed envelope with the statement "Cost Proposal for RFP 03-75060" written on the outside of the envelope.

The Cost section will consist of the following documents:

- a) The Cost Proposal Form as described below.
- b) Cost recovery amount and annual recovery amount with justification and methodology.
- c) Financial Stability and Guaranty Provisions Plan as described below.
- d) Subcontractor Budgets for each fiscal year or budget period, if applicable.

2) General instructions

- a) All cost forms must be typewritten or completed in ink. Errors, if any, should be crossed out and corrections should be printed in ink or typewritten adjacent to the error. The person who signs the Cost Proposal should initial all corrections, preferably in blue ink.
- b) On the Cost Proposal Form, indicate the annual cost for each budget period and include a total cost.
- c) When completing the cost forms, include all estimated costs to perform the services for the entire term, including applicable annual rate adjustments attributable to merit increases, profit margins, and inflation or cost of living adjustments.
- d) This is a contingency based contract, as such DHS will not fund:

- 1) All unit rates/costs, if any for each fiscal year.
- 2) Personnel costs.
- 3) Fringe benefits.
- 4) Operating expenses.
- 5) Equipment expenses.
- 6) Travel expenses.

- 7) Costs of Litigation.
- 8) Indirect Costs.
- 9) Other Costs.

3) Cost Proposal

- a) Proposers shall submit a cost proposal at the time as their technical proposal.
- b) The Proposer shall prepare and submit one original cost proposal, typewritten or laser printed. The five (5) additional copies of the cost proposal, may reflect photocopied signatures and initials. The Contractor's Representative, pursuant to the requirements of Delegation of Authority, shall sign the document.

4) Cost Recovery Amount and Annual Recovery Amount

For the purpose of this RFP, the cost proposal is to be expressed as a fixed percentage bid by the Contractor to recover Medi-Cal expenditures involving WC and the WCAB on behalf of the State. The Contractor's bid shall be representative of the percentage that will be received for each dollar collected for the State. Justification of the proposed cost recovery rate should be included. The cost recovery rate may not exceed 25 percent, which is the statutory limitation set forth in Welfare & Institutions (W&I) Code Section 14124.83(b). Deviation from this range shall render a cost proposal non-responsive. The Centers for Medicare and Medicaid has suggested the maximum cost recovery rate for contingency fee contracts should not exceed 15 percent.

The Proposers cost recovery rate will remain the same for the duration of the contract.

The Proposer shall submit an estimated annual projected recovery amount with the methodology on how the estimate was derived. The Proposer's recoveries will be expected to meet the annual projected recovery amount beginning with State fiscal year 2003/2004 of the \$1.25 million contract. The cost proposal will be deemed non-responsive and will be disqualified from further consideration in the procurement process.

The DHS will not accept any annual projected recovery amount less than \$1.25 million. Should any cost proposal include an amount less than \$1.25 million in annual projected recoveries, the cost proposal will be deemed non-responsive and will be disqualified from further consideration in the procurement process.

The Proposer's annual projected recovery amount will be evaluated based on the formula described in Section M, Evaluation and Selection.

5) Cost Proposal Form

The Proposer shall submit the completed Cost Proposal Form, **Attachment 11**, for the recovery rate being bid for this contract.

- a) Enter Estimated Annual Recovery Amount

- b) Enter Proposers Cost Recovery Rate. The Proposers Cost Recovery Rate is representative of the fixed percentage the Proposer will receive for each dollar collected. The cost recovery rate shall not exceed 25 percent.
 - c) If claiming Small Business Preference (SBP), indicate by checking the box marked "Yes" and include your Small Business Certification number. If not applicable, indicate by checking the box marked "No".
 - d) If claiming Target Area Contract Preference (TACP), indicate "Yes", and attach appropriate documentation. If not applicable, indicate "No".
 - e) Sign and print name, title and date accordingly.
- 6) Financial Stability and Guaranty Provisions Plan
- a) Financial Stability

The Proposers shall submit a Financial Stability Plan incorporating the following data for the past three corporate fiscal years of the Proposer and the interim period from the end of the last full fiscal year up to and including the date specified for submission of technical proposals.

If the Proposer is a subsidiary of any other legal entity and the financial resources of the Parent Corporation are required to qualify the subsidiary for competition under this procurement, the financial stability submission requirements for this section shall apply to the Parent Corporation.

Proposers shall submit the following:

- 1) A Proposer's annual certified financial statements for the last three fiscal years, accompanied by an independent certified public accountant's report, certificate, or opinion.
- 2) Public interim financial statements for the interim period from the end of the last full fiscal year up to and including the month prior to submission of technical proposals. The State does not require submittal of interim statements for the last three fiscal years for which annual reports are submitted.
- 3) A projected pro forma financial statement and statement of changes in financial position for the next three years predicted upon operation without the award of this contract.
- 4) A detailed financial plan and proposed cash flow budget demonstrating the availability and source of sufficient funds to cover the Proposer's projected operation costs without risk of insolvency were the Proposer to provide the contractual services under the contract period.

All financial data submitted in the Financial Stability and Guaranty Provisions Plan in connection with this RFP shall be accompanied by a signed statement from the Proposer's or parent corporation's chief executive officer and chief financial officer, or Contractor's Representative, certifying that the data is current, accurate, and complete.

Proposer must include an organization history of claims of bankruptcy, receivership, questioned costs, repayment of funds, failure to fulfill contract, and criminal or civil legal actions that name the organization or administrative/supervisory staff, that have occurred during the past five years.

b) Guaranty Provisions

If the Proposer is a subsidiary of another organization, the Proposer must submit a guaranty from that organization in the Proposer's chain of ownership, which is publicly traded. If no such parent organization is publicly traded, the guaranty shall be submitted by a parent organization at a level in the chain of ownership, which is acceptable to the State. The guaranty shall be in a form satisfactory to the State and shall provide for the full and prompt performance of all covenants, terms and conditions, and agreements resulting from this RFP throughout the term of the contract. The guaranty shall meet the requirements of the Guaranty Provisions.

i. Appendix Section

Place the following documentation in the Appendix section of your proposal in the order shown below.

1) Proof of Corporate Status

If the Proposer is a Corporation, submit a copy of your firm's most current Certificate of Status issued by State of California, Office of the Secretary of State. Submit an explanation if you cannot submit this documentation. Unless otherwise specified, do not submit copies of your firm's Bylaws or Articles of Incorporation

2) Proof of Nonprofit Status

Nonprofit organizations must prove they are legally eligible to claim "nonprofit" and/or tax-exempt status by submitting a copy of an IRS determination letter indicating nonprofit or 501 (3)(c) tax-exempt status. Submit an explanation if you cannot supply this documentation.

3) An Organization Chart

The organizational chart must show the lines of authority and reporting relationships within your organization including the relationship between management and subcontractors and/or independent consultants, if any.

4) Financial Statements

Submit copies of financial statements for the past three years or most recent thirty-six (36) month period.

- a) Annual income statement(s), and
- b) Quarterly **or** annual balance sheets

Audited statements are preferred, but not required. If you supply audited financial statements, all noted audit exceptions must be explained. DHS will accept financial statements prepared by your financial accounting department, accounting firm or an auditing firm. A statement signed by your Chief Financial Officer certifying that the

financial statements are accurate and complete must accompany all financial statements.

5) **Subcontractor/Consultant Resumes**

Submit a resume for each pre-identified subcontractor or independent consultant, if any, as discussed in the Project Personnel section.

6) **Subcontractor/Consultant Letters of Agreement**

For each pre-identified subcontractor and independent consultant that will be used to perform services under the resulting contract, submit a letter of agreement to work on this project.

A letter of agreement must be signed by an official representative of each subcontracted firm or independent consultant, indicating his or her acknowledgement of being named as a subcontractor or consultant, their availability to work on this project and acknowledgement that they have read or been made aware of the proposed contract terms, conditions and exhibits. Include an explanation if you cannot obtain a letter of agreement from each pre-identified subcontractor and consultant and indicate when a letter of agreement will be forthcoming.

7) **Conflict of Interest Compliance Certificate**

- a) Any firm that intends to submit a proposal is required to submit **Attachment 13** certifying that the proposing firm, or any of its subcontractors or any employee, officer, or director or the proposer/contractor or any subcontractors.
 - i) Holds a position of interest, financial or otherwise, which would allow use or disclosure of information obtained while performing services for private or personal benefit or for any purpose that is contrary to the goals and objectives of the contract.
 - ii) Understands that the conflict of interest requirements shall remain in effect for the entire term of the resulting agreement.
- b) If a conflict of interest is determined to exist that cannot be resolved to the satisfaction of DHS, before the award of the contract, the conflict will be grounds for deeming a proposal non-responsive.
- c) Proposers must assess their own situation according to the Conflict of Interest Compliance Certification information in **Attachment 13**. Complete, sign and attach any required documentation according to the instructions on the attachment. **Place Attachment 13 and any accompanying documentation in the Appendix Section of your proposal.**

9) **Attestation of Understanding/Agreement**

Proposers shall complete and submit the Attestation of Understanding/Agreement (see Exhibit G for copy of form) in the Executive summary portion of their technical proposal.

j. Forms Section

When completing this section, do not

- Alter the information supplied or the order of the RFP attachments.
- Add items that the Proposer has been instructed to submit in a different part of the proposal response (i.e., Letter of Intent, Work Plans, Cost and Budget Detail Work Sheets, etc).

Complete, sign and include the forms/attachments listed below. When completing the attachments, follow the instructions in this section and any instructions appearing on the attachment. After completing and signing the applicable attachments, assemble them in the order shown below.

Attachment and/or Documentation	Instructions
2 - Required Attachment / Certification Checklist	<p>1) Check each item with "Yes" or "N/A", as applicable, and sign the form. If necessary, explain your responses.</p> <p>2) If a Proposer marks "Yes" or "N/A" and makes any notation on the checklist and/or attaches an explanation to the checklist to clarify their choice, DHS considers this a "qualified response". Any "qualified response", determined by DHS to be unsatisfactory or insufficient to meet a requirement, may cause a proposal to be deemed non-responsive.</p>
3 - Proposer Information Sheet	Completion of the form is self-explanatory.
4 - Proposer References	Identify three (3) clients you have serviced within the past five years that can confirm their satisfaction with your services and confirm if your firm provided timely and effective services or deliverables. If possible, identify clients whose needs were similar in scope and nature to the services sought in this RFP. List the most recent first.
5 - RFP Clause Certification	Complete and sign this form indicating your willingness and ability to comply with the contract certification clauses appearing in the RFP section entitled, "Bid Requirements and Information," subsection "Bidding Certification Causes".
6 - CCC 103 - Certification	Complete and sign this form indicating your willingness and ability to comply with the Contractor Certification Clauses appearing in this Attachment.
7 - Payee Data Record	Complete and return this form, <u>only</u> if you have not previously entered a contract with DHS. If uncertain, complete and return the form.

Attachment and/or Documentation	Instructions
8a - Actual DVBE Participation and applicable DVBE certification(s) and/or 8b - Good Faith Effort with required documentation	Read and carefully follow the completion instructions in Attachment 8. Attach the documentation that is required for the form(s) you choose to submit. One and/or both of these two forms may be required. Submission of these forms only applies to contract awards that equal \$10,000 or more for the entire contract term.
9 -Target Area Contract Preference Act Request	Complete and return this form, <u>only</u> if your firm is based in California, your total bid is \$100,000 or more, DHS has not pre-set any part of the work location, and you wish to apply for TACPA preference.
10-Enterprise Zone Act (EZA) Preference Request	Complete and return this form, <u>only</u> if your firm is based in California, the total bid offered is \$100,000 or more, no part of the work location has been preset by DHS, and you wish to apply for EZA preference.
11- Cost Proposal Form	Completion of this form is self-explanatory.
12- "Voluntary" Letter of Intent	Completion of this form is self-explanatory.
13- Conflict of Interest Compliance Certificate	Completion of this form is self-explanatory.

L. Proposal Submission

1. General Instructions

- a. Assemble an original, five (5) copies and the CD-R version of your proposal together. Place the proposal set marked "Original" on top, followed by the five (5) extra copies and then the CD-R copy.
- b. Place all proposal copies in a single envelope or package, if possible. Seal the envelope or package.

If you submit more than one envelope or package, carefully label each one as instructed below and mark on the outside of each envelope or package "1 of X", "2 of X", etc.

- c. Mail or arrange for hand delivery of your proposal to the DHS, Office of Medi-Cal Procurement (OMCP). **Proposals may not be transmitted electronically by fax or email.**
- d. The OMCP must receive your proposal, regardless of postmark or method of delivery, by **4:00 p.m. on March 21, 2003.** Late proposals will not be reviewed or scored.
- e. Label and submit your proposal using one of the following methods.

Hand Delivery or Overnight Express:	U.S. Mail:
Proposal RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement 600 North 10 th Street, Room 240C Sacramento, CA 95814	Proposal RFP 03-75060 Department of Health Services Office of Medi-Cal Procurement P.O. Box 942732 Sacramento, CA 94234-7320

Proposer Warning

DHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If you mail your proposal, consider using certified or express mail and request a receipt upon delivery. If you choose hand delivery, allow sufficient time to locate parking and to sign-in at the security desk

2. Proof of Timely Receipt

- a. DHS staff will log and attach a date/time stamped slip or bid receipt to each proposal package/envelope received. If a proposal envelope or package is hand delivered, DHS staff will give a bid receipt to the hand carrier upon request.
- b. To be timely, DHS' Contract Management Unit must receive each proposal at the stated delivery address no later than 4:00 p.m. on the proposal submission due date. Neither delivery to the department's mailroom or a U.S. postmark will serve as proof of timely delivery.
- c. DHS will deem late proposals non-responsive.

3. Proposer Costs

Proposers are responsible for all costs of developing and submitting a proposal. Such costs cannot be charged to DHS or included in any cost element of a Proposers price offering.

M. Evaluation and Selection

Evaluation and Selection will consist of multiple stages as further described below. An evaluation committee will be used for all stages. This evaluation committee is comprised of three separate groups. One group will function as the evaluation scoring committee (ESC), the second group will function as the rating review committee (RRC), and the third group will be an executive review committee (ERC).

Individuals assigned to the ESC will be responsible for the separate review of proposals as described in the stages below. The RRC will be comprised of OMCP management staff and evaluation team leads. The RRC will interact with the ESC throughout the evaluation process as described in the following stages. The ERC, composed of Department management officials, will review the evaluation process and recommended scores for each proposal as a final stage to the procurement process. This is to assure all appropriate procedures and processes have been followed.

Additionally, the ERC may seek independent review or advice from individuals within the Department or elsewhere regarding procurement policy matters, proposal scoring, technical proposal deficiencies, and acceptability.

The primary objective of the evaluation process is to award the Medi-Cal/MWCRP project contract to the Proposer who has best demonstrated the ability, capability, and willingness to meet all of the contract requirements. The evaluation of the technical and cost proposals will place an emphasis on a high level of technical competency in managing an identification and recovery system. It will also place an emphasis on the approach with which the Proposers prior experience and their demonstrated abilities and capabilities will be applied to maximizing the recovery of Medi-Cal expenditures. Consideration will also be given to the Proposers ability to develop innovative and creative approaches to the Medi-Cal/WCRP project that are realistic and have practical applicability to the State. In the selection of a Contractor, as provided for in Public Contract Code Section 10344(c), cost to the State is 30 percent.

A multiple stage evaluation process will be used to review and/or score technical proposals. DHS will reject any proposal that is found to be non-responsive at any stage of evaluation.

1. Stage 1 – Required Attachment / Certification Checklist Review

- a. Shortly after the proposal submission deadline, DHS staff will convene to review each proposal for timeliness, completeness and initial responsiveness to the RFP requirements. This is a pass/fail evaluation.
- b. In this review stage, DHS will compare the contents of each proposal to the claims made by the Proposer on the Required Attachment / Certification Checklist to determine if the Proposers claims are accurate.
- c. If deemed necessary, DHS may collect additional documentation (i.e., missing forms, missing data from RFP attachments, missing signatures, etc.) from a Proposer to confirm the claims made on the Required Attachment / Certification Checklist and to ensure that the proposal is initially responsive to the RFP requirements.
- d. If a Proposers claims on the Required Attachment / Certification Checklist cannot be proven or substantiated, the proposal will be deemed non-responsive and rejected from further consideration.

2. Stage 2 – Acceptable/Unacceptable Determination of Technical Proposals

- a. Proposals that appear to meet the basic format requirements, initial qualification requirements and contain the required documentation, as evidenced by passing the Stage 1 review, will be submitted to a rating committee.

The raters will individually and/or as a team review, evaluate and numerically score proposals based on the proposal's adequacy, thoroughness, and the degree to which it complies with the RFP requirements.

- b. DHS will use the following scoring system to assign points. Following this chart is a list of the considerations that raters may take into account when assigning individual points to a technical proposal.

Points	Interpretation	General basis for point assignment
0	Inadequate	Proposal response (i.e., content and/or explanation offered) is inadequate or does not meet DHS' needs/requirements or expectations. The omission(s), flaw(s), or defect(s) are significant and unacceptable.

Points	Interpretation	General basis for point assignment
1	Barely Adequate	Proposal response (i.e., content and/or explanation offered) is barely adequate or barely meets DHS' needs/requirements or expectations. The omission(s), flaw(s), or defect(s), are inconsequential and acceptable.
2	Fully Adequate	Proposal response (i.e., content and/or explanation offered) is fully adequate or fully meets DHS' needs/requirements or expectations. The omission(s), flaw(s), or defect(s), if any, are inconsequential and acceptable.
3	Excellent or Outstanding	Proposal response (i.e., content and/or explanation offered) is above average or exceeds DHS' needs/requirements or expectations. Minimal weaknesses are acceptable. Proposer offers one or more enhancing feature, method or approach that will enable performance to exceed our basic expectations.

c. In assigning points for individual rating factors, raters may consider issues including, but not limited to, the extent to which a proposal response:

- 1) Is lacking information, lacking depth or breadth or lacking significant facts and/or details, and/or
- 2) Is fully developed, comprehensive and has few if any weaknesses, defects or deficiencies, and/or
- 3) Demonstrates that the Proposer understands DHS' needs, the services sought, and/or the contractor's responsibilities, and/or
- 4) Illustrates the Proposers capability to perform all services and meet all scope of work requirements, and/or
- 5) If implemented, will contribute to the achievement of DHS' goals and objectives, and/or
- 6) Demonstrates the Proposers capacity, capability and/or commitment to exceed regular service needs (i.e., enhanced features, approaches, or methods; creative or innovative business solutions).

d. Below are the point values for each rating category that will be scored.

- 1) Proposals, will be scored on a scale of 0 to 147 points, as follows:

<u>Rating Category</u>	<u>Points</u>
Executive Summary	21
Agency Capability	21
Work Plan	24
Management Plan	18
Project Personnel	9
Start-Up/Take-Over Plan	15
Scope of Work	39
Grand Total	147

- 2) DHS will consider a proposal technically deficient and non-responsive if the proposal earns a score that is less than 102.9. Non-responsive proposals will not advance to Stage 3.

3. Stage 3 – Scoring the Cost Section

Proposers that earned a passing score in Stage 2 will have the Cost section of their proposal scored and/or evaluated according to the following steps:

- Opening of the cost proposals.
- Review for completeness and compliance with RFP instructions. Each cost proposal shall be reviewed to ensure that it is complete and the calculations are accurate. Submission of a complete cost proposal in the State's prescribed format is mandatory. If a Proposer fails to comply, the cost proposal shall be determined non-responsive. Errors in bids will be handled in the manner prescribed below.

a. Cost Proposal scoring will be based on:

- 1) Points assigned in Section M.3.c.; and
- 2) Points assigned in Section O.

b. Errors in the Cost Proposal Response

If discrepancies between sections, arithmetic, or transposition errors are identified in a submitted cost proposal, the State may, at its option, retain the cost proposal and correct any said errors by interpreting the cost proposals as follows:

- 1) The lowest level of detail will prevail in any discrepancy. In any case, when summary totals do not correspond with the arithmetic of the component parts, the component parts shall prevail.
- 2) If the re-computations or interpretations applied above result in significant changes in the money to be paid to a Contractor, the affected Proposers will be notified prior to contract award.

c. Proposer Estimated Annual Recovery – Evaluation Criteria

A projection of the Proposer Estimated Annual Recovery and the Proposers Percentage Bid Rate must be submitted as part of the cost proposal, and must be resulting from the activities and efforts of the contract. A financial evaluation will be calculated as follows:

$$\begin{aligned} & \text{Proposer Estimated Annual Recovery} \\ & \underline{\times (1 - \text{Proposers \% Bid Rate})} \\ & = \text{Projected Annual State Recovery} \end{aligned}$$

The Proposer with the highest Projected Annual State Recovery will receive the maximum number of points assigned to the cost proposal. The points will be calculated as follows:

$$\frac{(\text{Projected Annual State Recovery} / \text{highest Projected Annual State Recovery})}{\text{X } 150 \text{ (maximum number of points available for the cost proposal)}}$$
 = Proposers cost proposal point award

Example:

The following three proposals are being evaluated:

Proposer A:	\$ 500,000 anticipated recoveries	at 12% Bid Rate
Proposer B:	\$1,000,000 anticipated recoveries	at 15% Bid Rate
Proposer C:	\$2,000,000 anticipated recoveries	at 13% Bid Rate

Each Proposers Projected Annual State Recovery would be:

Proposer A:	\$ 500,000 x (1-.12 bid rate or .88)	= \$ 440,000
Proposer B:	\$1,000,000 x (1-.15 bid rate or .85)	= \$ 850,000
Proposer C:	\$2,000,000 x (1-.13 bid rate or .87)	= \$1,740,000

Cost Proposal Points will be awarded to Proposers as follows:

Proposer A:	\$ 440,000/1,740,000 x 150	= 0.25 = 37.5 points
Proposer B:	\$ 850,000/1,740,000 x 150	= 0.49 = 73.5 points
Proposer C:	\$1,740,000/1,740,000 x 150	= 1.00 = 150.0 points

Please note that the Proposer with the highest Projected Annual State Recovery receives the maximum number of points.

4. Stage 4 – Combining Narrative Proposal Score and Cost Section Score

DHS will combine narrative proposal score to the final Cost section and will tentatively identify the firm with the highest combined proposal score from each of the earlier evaluation stage(s).

5. Stage 5 – Adjustments to Score Calculations for Bidding Preferences

- a. DHS will determine which firms, if any, are eligible to receive to a bidding preference (i.e., small business "TACPA and/or EZA").
- b. To confirm the identity of the highest scored responsible proposer, DHS will adjust the total proposal costs for applicable claimed preference(s) and will readjust the Cost score of those proposers eligible for bidding preferences. DHS will apply preference adjustments to eligible Proposers according to State regulations following verification of eligibility with the appropriate office of the Department of General Services. More information about the allowable bidding preferences appears in the RFP section entitled, "Preference Programs".

6. Stage 6 – Final Score Calculation

DHS will use the formula shown below to calculate final proposal scores and to determine the highest scored proposal.

$$\begin{array}{rcl}
 \text{a. Narrative Proposal Score} & \times 70\% = & \text{Technical Score} \\
 \text{b. Cost Section Score} & \times 30\% = & \text{Cost Score} \\
 \\
 \text{c.} & & \\
 \quad \text{Technical Score} & & \\
 \quad + \text{Cost Score} & & \\
 \quad = \underline{\underline{\text{Total Point Score}}} & &
 \end{array}$$

The contract will be awarded to the responsive and responsible Proposer with the highest total point score received when the numeric scores of the technical proposal and the cost proposal are combined, including Small Business and TACPA preference points, if applicable. In the event that two Proposers receive the same total combined score, the Department shall award the contract to the Proposer with the highest technical proposal score.

N. Narrative Proposal Rating Factors

Raters will use the following criteria to score the narrative portion of each proposal.

1. Executive Summary

Executive Summary Rating Factors	Points Possible	Points Earned
To what extent did the Proposer express, in its own words, its understanding of DHS' needs and the importance of this project? Assign 1 point or 0 points if the Proposer restates or paraphrases information in the RFP.	3	
To what extent did the Proposer demonstrate the tangible results that it expects to achieve? Assign 1 point or 0 points if the Proposer restates or paraphrases information in the RFP.	3	
To what extent did the Proposer express a sincere commitment to perform this work in an efficient and timely manner?	3	
To what extent did the Proposer demonstrate that it can effectively integrate this project into its current obligations and existing workload?	3	
To what extent did the Proposer adequately explain why it should be chosen to undertake this project at this time?	3	
To what extent did the Proposer demonstrate that this contract is a high priority to the Proposer and it's subcontractor(s), if applicable? Consider the priority this contract would have among the Proposer's current activities and projects.	3	
To what extent does the proposer demonstrate there are available resources to perform obligations under this contract?	3	

Executive Summary Rating Factors	Points Possible	Points Earned
To what extent is the Proposer committed to research, develop, and produce Medi-Cal WCRP recoveries?	3	
Executive Summary Score <u>21</u> Points earned = <u> </u>		

2. Agency Capability

Agency Capability Rating Factors	Points Possible	Points Earned
<p>To what extent does the Proposer's demonstrate the capability and experience necessary to fulfill all tasks/deliverables detailed in the Scope of Work?</p> <p><u>Considerations</u></p> <p>Does the Proposer have:</p> <ul style="list-style-type: none"> a. Previous Worker's Compensation Appeals Board contract recovery experience? b. Medi-Cal contract experience? c. Medicaid contract experience? d. Third Party Liability recovery experience? 	3	
<p>To what extent does the Proposer's description of accounts or projects begun and/or completed in the last three years demonstrate that the Proposer has contract recovery experience that is similar in nature or closely related to the "Scope of Work" in this RFP?</p> <p><u>Considerations:</u></p> <ul style="list-style-type: none"> a) Name of agency or firm for whom services were performed. b) Duration or length of the project. c) Total cost or value of the project (amount of recoveries). d) Description of the type and nature of the services performed, include the volume of WC recovery cases handled on an ongoing basis. 	3	
<p>Based on the Proposer's experience described, to what extent does the Proposer possess experience in Workers' Compensation? If a Subcontractor is being used, the Subcontractor's experience should also be considered.</p>	3	
<p>Based on the Proposer's experience described, to what extent does the Proposer possess experience in the identification and recovery from Workers' Compensation? If a Subcontractor is being used, the Subcontractor's experience should also be considered.</p>	3	

Agency Capability Rating Factors	Points Possible	Points Earned
Based on the Proposer's experience described, to what extent does the Proposer possess experience of Medicaid Programs? If a Subcontractor is being used, the Subcontractor's experience should also be considered.	3	
Based on the Proposer's experience described, to what extent does the Proposer possess experience in establishing and maintaining effective working relationships with government entities, attorneys, the Workers' Compensation Appeals Board, Medi-Cal providers, and other organizations?	3	
The Proposer was required to submit a description of other existing and projected Medicaid or Medicare contracts, projects or obligations, and the resources required to fulfill each. Based on the Proposer's experience, to what extent is the Proposer able to foresee and address conflicts between existing obligations and this contract with respect to business resources, including personnel and financial resources?	3	
Agency Capability Score <u>21</u> Points earned = <u> </u>		

3. Work Plan

Work Plan Rating Factors	Points Possible	Points Earned
To what extent are the Proposers overall approaches and/or methods comprehensive and/or technically sound to accomplish the Scope of Work?	3	
To what extent did the Proposer offer a rationale basis for choosing its particular approaches and methods (i.e., proven success or past effectiveness)?	3	
To what extent are the proposed procedures, methods and approaches appropriate and reasonable (i.e., if implemented are they likely to produce the desired results)?	3	
To what extent does the Proposer describe in detail the specific actions (i.e., tasks/activities and functions) that the Proposer will perform to fulfill all scope of work requirements?	3	
To what extent will the Proposer perform the tasks/activities and functions in a logical order?	3	
To what extent are the proposed performance time lines realistic and achievable?	3	
To what extent did the Proposer adequately demonstrate how it will measure and/or prove the completion of major tasks/activities (i.e., identification of key events/outcomes or deliverables)?	3	
To what extent does the Proposer identify staff who will have primary responsibility for performing each major task/activity for each function?	3	
Work Plan Score <u>24</u> Points earned = <u> </u>		

4. Management Plan

Management Plan Rating Factors	Points Possible	Points Earned
To what extent has the Proposer demonstrated its capability to effectively coordinate, manage and monitor the efforts of assigned staff (including subcontractors and consultants) to ensure that work is effectively completed and timely?	3	
Upon reviewing the Proposers description of its fiscal accounting processes and budgetary controls, to what extent are the fiscal processes and controls adequate to ensure the responsible use and management of contract funds and accurate invoicing?	3	
Upon reviewing the Proposers description of its fiscal accounting processes and budgetary controls, to what extent can the Proposer properly account for state project costs to ensure that only appropriate costs are billed to DHS?	3	
Upon reviewing a description of its fiscal accounting processes and budgetary controls, to what extent does the Proposer has appropriate fiscal reporting and fiscal monitoring capabilities to ensure contract funds are managed responsibly?	3	
Upon reviewing a description of its fiscal accounting processes and budgetary controls, to what extent has the Proposer demonstrated that it will maintain appropriate documentation to prove, support or substantiate the expenses invoiced to DHS?	3	
Upon reviewing the Proposers organization chart in the Appendix Section, to what extent is the Proposers organizational structure sound with distinct lines of authority and reporting relationships between management and all staff including subcontractors and independent consultants?	3	
Management Plan Score		__18__ Points earned = ____

5. Project Personnel

Project Personnel Rating Factors	Points Possible	Points Earned
To what extent has the Proposer identified each key staff person assigned to managing, directing, overseeing and/or coordinating the work of assigned staff, subcontractors and/or independent consultants and who will maintain effective communications with DHS? Consider each person's expertise, capabilities, and credentials.	3	
Rate the Proposer's administrative policies or procedures to recruit and select well-qualified, competent, and experienced staff. Has the Proposer ensured that vacancies will be filled expeditiously to continue services?	3	
To what extent does the Proposer's description of their training process ensure that the Scope of Work requirements would be achieved?		
Project Personnel Score		__9__ Points earned = ____

6. Start-Up/Take-Over

Start-Up/Take-Over Plan Rating Factors	Points Possible	Points Earned
To what extent does the Start-Up/Take-Over Plan identify how and when the automated systems will be developed, tested, and implemented? Systems include accounting functions, EDEX, WCAB matches with DIR, MEDS access, etc.	3	
To what extent does the Take-Over Plan detail how the systems will support electronic data matches, data collection, recovery and identification data, and the Medi-Cal claims management and accounting functions?	3	
To what extent does the plan define the step-by-step approach for the Proposer to successfully complete the entire start-up functions?	3	
To what extent does the plan include all start-up deliverables as required in the RFP?	3	
To what extent does the plan address foreseeable difficulties in transition to minimize the disruption of existing services and offer methods that resolve and/or avoid any problems that may occur?	3	
Start-Up/Take-Over Score 15 possible points. Points earned = _____		

7. Scope of Work

Scope of Work	Points Possible	Points Earned
<p>To what extent has the Proposer described the capability to develop an effective and efficient case management system to administer the Medi-Cal WCRP Recovery Program?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> b. Have a basic knowledge of the major RFP requirements? c. Understand the nature of the work? d. Have a knowledge and understanding of workload management? e. Have controls to measure effectiveness and efficiency of systems? f. Have the necessary resources to perform the requirements of this RFP? 	3	

Scope of Work	Points Possible	Points Earned
<p>To what extent does the Proposer give a comprehensive detailed description of its capability to develop policies and procedures for the case management systems?</p> <p><u>Considerations</u> Do the Proposer's policies and procedures:</p> <ul style="list-style-type: none"> a. Correspond with the proposed case management system? b. Sufficiently identify and detail each phase of the case management system? 	3	
<p>To what extent does the Proposer's case management system demonstrate the ability to identify and develop case referrals?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> d. Indicate a method to identify and develop WC case referrals via electronic data matches of Medi-Cal payment and WC or employer payment? e. Identify other referrals sources that will be utilized? 	3	
<p>To what extent does the Proposer's case management system demonstrate the ability to create and update Medi-Cal itemizations of services as required in this RFP?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> a. Identify the Data and Payment Sources listed in this chapter as resources that will be utilized in the creation the itemizations of services? b. Indicate how this function will be monitored for accuracy? Identify how future updates of itemizations will be scheduled and/or monitored? 	3	
<p>To what extent does the Proposer's case management systems identify and describe the methods used to ensure timely filing of Medi-Cal liens with the WCAB?</p> <p><u>Considerations</u> Has the Proposer indicated:</p> <ul style="list-style-type: none"> a. Filing directly with WCAB? b. Electronic filing utilizing the EDEX System? 	3	

Scope of Work	Points Possible	Points Earned
<p>To what extent does the Proposer's case management system identify the methods used to notify all involved parties of the Department's Third Party Liability reimbursement rights?</p> <p><u>Considerations</u> Does the Proposer identify the following methods:</p> <ul style="list-style-type: none"> a. Legal filings? b. Verbal communication? 	3	
<p>To what extent does the Proposer's case management system demonstrate the capacity to monitor the status of established cases?</p> <p><u>Considerations</u> Do the Proposer's systems:</p> <ul style="list-style-type: none"> a. Provide for regularly updating Medi-Cal liens (ongoing treatment)? b. Provide for updating status of cases that are pending settlement? c. Include the utilization of the EDEX Systems as a monitoring tool? 	3	
<p>To what extent does the Proposer demonstrate the capability to develop an accounting system that will provide the necessary reports and/or deliverables and electronic audit trail/logs as required by this RFP?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> a. Have a basic knowledge of the RFP requirements? b. Understand the nature of the work? c. Possess a knowledge and understanding of accounting principles and procedures? d. Have a plan for data files, programs and documentation to be backed up and stored off site? 	3	

Scope of Work	Points Possible	Points Earned
<p>To what extent does the Proposers accounting system have the capacity to develop reports for the scheduled intervals required?</p> <p><u>Considerations</u> Does the accounting system provide for reports to be generated:</p> <ul style="list-style-type: none"> a. Monthly? b. Quarterly? c. Fiscal year end? d. Ad hoc or as needed by the State? 	3	
<p>To what extent does the Proposer indicate that the legal representation to be provided will possess the expertise necessary to appear and negotiate settlements at WCAB conferences, hearings, trials or any other appearances necessary?</p> <p><u>Considerations</u> Does the Proposers legal representation possess:</p> <ul style="list-style-type: none"> a. Extensive knowledge of the labor codes? b. Confirmed negotiation/recovery experience in a WCAB environment? 	3	
<p>To what extent does the Proposer indicate how the EDEX System will be utilized for the WCAB Recovery Program?</p> <p><u>Considerations</u> Will the Proposer utilize this system:</p> <ul style="list-style-type: none"> a. To file liens electronically? b. As an inquiry system to obtain information on specific cases? c. To monitor the status of established cases? 	3	
To what extent does the Proposer demonstrate the capability to achieve collections?	3	
To what extent does the Proposer maintain cases?	3	
39 possible points. Points earned = _____		

O. Cost Proposal Rating Factors

Raters will use the following criteria to score the Cost proposal.

Cost Proposal Rating Factors	Points Possible	Points Earned
Upon reviewing the Cost Proposal and Cost Proposal form, has the Proposer bid a reasonable cost recovery rate? Is the Proposer's cost recovery rate within the 25 percent set by statute?	3	
Has the Proposer included justification of the proposed cost recovery rate? Based on the justification to what degree does the Proposer substantiate a reasonable and/or appropriate cost recovery rate?	3	
Upon reviewing the Cost Proposal and Cost proposal form, does the Proposer's estimated annual recoveries meet and/or exceed the annual projected recovery amount of \$1.25 million for fiscal year 2003/2004? Based on the methodologies and figures supplied by the Proposer, to what degree does the Proposer substantiate the projected recovery amount?	3	
Upon reviewing the Proposer's financial statements in the Appendix Section, to what extent is the Proposer financially stable and sound?	3	
Are the Proposer's capital resources available for use to satisfy performance requirements, including the Scope of Work for this contract?	3	
Does the Proposer show that it has sufficient tangible net worth and working capital to ensure: <ul style="list-style-type: none"> • That each major task is completed during takeover? • The ongoing operation of the system, including EDEX costs? • The turnover of the system to the successor Contractor that is in accordance with RFP requirements? 	3	
Upon reviewing the Proposer's financial statements in the Appendix Section, does the Proposer show they have the ability to generate sufficient positive cash flow from other ongoing operations and/or sufficient working capital and/or fiscal resources to cover the lapse between the time the Contractor incurs costs and DHS makes payments in connection with such costs? This includes litigation costs, cash flow shortages, or other financial difficulties, which might otherwise have a significant adverse effect upon the Contractor's operations and interfere with the Contractor's ability to satisfy its obligations under this contract.	3	

Cost Proposal Rating Factors	Points Possible	Points Earned
Has the Proposer included an organization history of claims of bankruptcy, receivership, questioned costs, repayment of funds, failure to fulfill contract, and criminal or civil legal actions that name the organization or administrative/supervisory staff, that have occurred during the past five years? Upon reviewing the history, rate the Proposer's history accordingly.	3	
Cost Evaluation Score 24 possible points. Points earned = _____		

P. Bid Requirements and Information

1. Non-responsive Proposals

In addition to any condition previously indicated in this RFP, the following occurrences **may** cause DHS to deem a proposal non-responsive.

- a. Failure of a Proposer to:
 - 1) Meet DVBE participation goals or to demonstrate that a substantial Good Faith Effort (GFE) was made to meet those goals.
 - 2) Meet proposal format/content or submission requirements including, but not limited to, the sealing, labeling, packaging and/or timely and proper delivery of proposals.
 - 3) Pass the Required Attachment / Certification Checklist review (i.e., by not marking "Yes" to applicable items or by not appropriately justifying, to DHS' satisfaction, all "N/A" designations).
 - 4) Submit a **voluntary** Letter of Intent in the manner required, if applicable.
 - 5) Submit a **mandatory** Conflict of Interest Compliance Certificate in the manner required, if applicable.
- b. If a Proposer submits a proposal that is conditional, materially incomplete or contains material defects, alterations or irregularities of any kind.
- c. If a Proposer supplies false, inaccurate or misleading information or falsely certifies compliance on any RFP attachment.
- d. If DHS discovers, at any stage of the bid process or upon contract award, that the Proposer is unwilling or unable to comply with the contract terms, conditions and exhibits cited in this RFP or the resulting contract.
- e. If other irregularities occur in a proposal response that is not specifically addressed herein (i.e., the Proposer places any conditions on performance of the scope of work, submits a counter proposal, etc.).

2. Proposal Modifications after Submission

- a. All proposals are to be complete when submitted. However, an entire proposal may be withdrawn and the Proposer may resubmit a new proposal.

- b. To withdraw and/or resubmit a new proposal, follow the instructions appearing in the RFP section entitled, "Withdrawal and/or Resubmission of Proposals".

3. Withdrawal and/or Resubmission of Proposals

a. Withdrawal Deadlines

A Proposer may withdraw a proposal at any time before the proposal submission deadline.

b. Submitting a Withdrawal Request

- 1) Submit a written withdrawal request, signed by an authorized representative of the Proposer.
- 2) Label and submit the withdrawal request using one of the following methods.

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Withdrawal RFP 03-75060 Department of Health Services OMCP P.O. Box 942732 1800 3rd Street, Room 455 Sacramento, CA 94234-7320	Withdrawal RFP 03-75060 Department of Health Services Contract Management Unit Fax: (916) 323-4091

- 3) **[For faxed withdrawal requests]** Proposers must call (916) 323-7406 to confirm receipt of a faxed withdrawal request. Follow-up the faxed request by mailing or delivering the signed original withdrawal request within 24 hours after submitting a faxed request.

An originally signed withdrawal request is generally required before DHS will return a proposal to a Proposer. DHS may grant an exception if the Proposer informs DHS that a new or replacement proposal will immediately follow the withdrawal.

c. Resubmitting a Proposal

After withdrawing a proposal, Proposers may resubmit a new proposal according to the proposal submission instructions. Replacement proposals must be received at the stated place of delivery by the proposal due date and time.

4. Contract Award and Protests

a. Contract Award

- 1) Award of the contract, if awarded, will be to the responsive and responsible Proposer, who earns the highest total score. The highest scored proposal will be determined after DHS adjusts Proposer scores for applicable bidder preferences.
- 2) DHS shall award the contract only after DHS posts a Notice of Intent to Award for five (5) working days. DHS expects to post the Notice of Intent to Award before the close of business on **May 19, 2003** at the following location:

Department of Health Services
Contract Management Unit
1800 3rd Street, Room 455
Sacramento, CA 95814

- 3) DHS will mail or fax a written notification and/or a copy of the Notice of Intent to Award to all firms that submitted a proposal.
- 4) DHS will confirm the contract award to the winning Proposer after the protest deadline, if no protests are filed or following the Department of General Service's resolution of all protests. DHS staff may confirm an award verbally or in writing.

b. Settlement of ties

In the event of a precise highest score tie between a certified small business and a certified DVBE, the contract will be awarded to the DVBE per Government Code (GC) Section 14838(f) et seq.

DHS will settle all other tied total scores by making an award to the Proposer who earns the highest score on their narrative proposal (e.g., Technical Proposal). If narrative proposal (e.g., Technical Proposal) scores are also tied, DHS will settle the tie in a manner that DHS determines to be fair and equitable (e.g., coin toss, lot drawing, etc.). In no event will DHS settle a tie by dividing the work among the tied Proposers.

c. Protests

1) Who can protest

Any Proposer who submits a proposal may file a protest if the Proposer believes its proposal is responsive to all RFP requirements.

2) Grounds for protests

Protests are limited to the grounds described in Public Contract Code (PCC) Section 10345. DHS will not make an award until all protests are withdrawn by the protestant, denied, or resolved to the satisfaction of the DGS.

3) Protest timelines

- a. Eligible Proposers may file a first and quite brief "Notice of Intent to Protest" within **five working days** after DHS posts the Notice of Intent to Award.
- b. Within **five calendar days** after filing a "Notice of Intent to Protest", the protestant must file a full and complete written protest statement identifying the specific grounds for the protest. The statement must contain, in detail, the reasons, law, rule, regulation, or practice that the protestant believes DHS has improperly applied in awarding the contract.

4) Submitting a protest

Protests must be filed with both the Department of General Services and the Department of Health Services. You may hand deliver, mail or fax your protest.

Label, address and submit the initial protest notice and detailed protest statement using one of the following methods.

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Protest to DHS RFP 03-75060 Dept. of Health Services Contract Management Unit 1800 3rd Street, Suite 455 P.O. Box 942732 Sacramento, CA 94234-7320	Protest to DHS RFP 03-75060 Dept. of Health Services Contract Management Unit Fax: (916) 323-4091
Protest to DHS RFP 03-75060 Dept. of General Services Office of Legal Services Attention: Protest Coordinator 707 Third Street P.O. Box 989052 West Sacramento, CA 95798-9052	Protest to DHS RFP 03-75060 Dept. of General Services Office of Legal Services Fax: (916) 376-5088

For faxed protests

Faxed protests must be followed-up by sending an original signed protest, with all supporting material, within one (1) calendar week of submitting the faxed protest.

Call the telephone numbers below to confirm your fax transmission:

Department of General Services	(916) 376-5080
Department of Health Services	(916) 322-6122

5. Disposition of Proposals

- All materials submitted in response to this RFP will become the property of the Department of Health Services and, as such, are subject to the Public Records Act (GC Section 6250, et seq.). DHS will disregard any language purporting to render all or portions of any proposal confidential.
- Proposals are public records upon the posting of a Notice of Intent to Award. However, the contents of all proposals, draft RFPs, correspondence, agenda, memoranda, working papers, or any other medium which discloses any aspect of a Proposer's proposal shall be held in the strictest confidence until the award is made. DHS shall hold the content of all working papers and discussions relating to a proposal confidential indefinitely, unless the public's interest is best served by disclosure because of its pertinence to a decision, agreement, or the evaluation of a proposal. A Proposer's disclosure of this subject is a basis for rejecting a proposal and ruling the Proposer ineligible to participate further in the bidding process.
- DHS may return a proposal to a Proposer at their request and expense after DHS concludes the bid process.

6. Inspecting or Obtaining Copies of Proposals

- Who can inspect or copy proposal materials

Any person or member of the public can inspect or obtain copies of any proposal materials.

b. What can be inspected/copied and when

- 1) After DHS releases the RFP, any existing Proposers List (i.e., list of firms to whom the RFP is sent) is considered a public record and will be available for inspection or copying.
- 2) After the Pre-Proposal Conference, the sign-in or attendance sheet is a public record and will be available for inspection or copying.
- 3) On or after DHS posts the Notice of Intent to Award, all proposals, letters of intent, checklists and/or scoring/evaluation sheets become public records. These records shall be available for review, inspection and copying during normal business hours.

c. Inspecting or obtaining copies of proposal materials

Persons wishing to view or inspect any proposal or award related materials must identify the items they wish to inspect and must make an inspection appointment by contacting Jesse Tanguileg at **(916) 323-7406**.

Persons wishing to obtain copies of proposal materials may visit DHS or mail a written request to the DHS office identified below. The requestor must identify the items they wish to have copied. Materials will not be released from State premises for the purposes of making copies.

Unless waived by DHS, a check covering copying and/or mailing costs must accompany the request. Copying costs, when applicable, are charged at a rate of **ten cents** per page. DHS will fulfill all copy requests as promptly as possible. Submit copy requests as follows:

Request for Copies - RFP 03-75060

Department of Health Services
Office Of Medi-Cal Procurement
Attn: Jesse Tanguileg
600 North 10th Street, Room 240C
Sacramento, CA 94234-7320

7. Verification of Proposer information

By submitting a proposal, Proposers agree to authorize DHS to:

- a. Verify any and all claims made by the Proposer including, but not limited to verification of prior experience and the possession of other qualification requirements, and
- b. Check any reference identified by a Proposer or other resources known by the State to confirm the Proposer's business integrity and history of providing effective, efficient and timely services.

8. DHS rights

In addition to the rights discussed elsewhere in this RFP, DHS reserves the following rights.

- a. RFP corrections

- 1) DHS reserves the right to do any of the following up to the proposal submission deadline:
 - a) Modify any date or deadline appearing in this RFP or the RFP Time Schedule.
 - b) Issue clarification notices, addenda, alternate RFP instructions, forms, etc.
 - c) Waive any RFP requirement or instruction for all Proposers if DHS determines that the requirement or instruction was unnecessary, erroneous or unreasonable.
 - d) Allow Proposers to submit questions about any RFP change, correction or addenda. If DHS allows such questions, specific instructions will appear in the cover letter accompanying the document.
- 2) To reduce costs of mailing procurement corrections to persons and entities that do not intend to bid, DHS will mail or fax written clarification notices and/or RFP addenda only to those persons and entities that submit a timely voluntary Letter of Intent.

If DHS decides, just before or on the proposal due date, to extend the submission deadline, DHS may choose to notify potential Proposers of the extension by fax or by telephone. DHS will follow-up any verbal notice in writing by fax or by mail.

b. Collecting information from Proposers

- 1) If deemed necessary, DHS may request a Proposer to submit additional documentation during or after the proposal review and evaluation process. DHS will advise the Proposers orally, by fax or in writing of the documentation that is required and the time line for submitting the documentation. DHS will follow-up oral instructions in writing by fax or mail. Failure to submit the required documentation by the date and time indicated may cause DHS to deem a proposal non-responsive.
- 2) DHS, at its sole discretion, reserves the right to collect, by mail, fax or other method; the following omitted documentation and/or additional information.
 - a) Signed copies of any form submitted without a signature.
 - b) Data or documentation omitted from any submitted RFP attachment/form.
 - c) Information/material needed to clarify or confirm certifications or claims made by a Proposer.
 - d) Information/material needed to correct or remedy an immaterial defect in a proposal.
- 3) The collection of Proposer documentation may cause DHS to extend the date for posting the Notice of Intent to Award. If DHS changes the posting date, DHS will advise the Proposers, orally or in writing, of the alternate posting date.

c. Immaterial proposal defects

- 1) DHS may waive any immaterial defect in any proposal and allow the Proposer to remedy those defects. DHS reserves the right to use its best judgment to determine what constitutes an immaterial deviation or defect.
- 2) DHS' waiver of an immaterial defect in a proposal shall in no way modify this RFP or excuse a Proposer from full compliance with all bid requirements.

d. Correction of clerical or mathematical errors

- 1) DHS reserves the right, at its sole discretion, to overlook, correct or require a Proposer to remedy any obvious clerical or mathematical errors occurring in the narrative portion of a proposal, on a Cost Proposal form or on a Budget Detail Work Sheet.
- 2) If the correction of an error results in an increase or decrease in the total price, DHS shall give the Proposer the option to accept the corrected price or withdraw their proposal.
- 3) Proposers may be required to initial corrections to costs and dollar figures on the Cost Proposal form or a Budget Detail Work Sheet if the correction results in an alteration of the annual costs or total cost offered.
- 4) If a mathematical error occurs in a total or extended price and a unit price is present, DHS will use the unit price to settle the discrepancy.

e. Right to remedy errors

DHS reserves the right to remedy errors caused by:

- 1) DHS office equipment malfunctions or negligence by agency staff,
- 2) Natural disasters (i.e., floods, fires, earthquakes, etc.).

f. No contract award or RFP cancellation

The issuance of this RFP does not constitute a commitment by DHS to award a contract. DHS reserves the right to reject all proposals and to cancel this RFP if it is in the best interests of DHS to do so.

g. Contract amendments after award

As provided in the Public Contract Code governing contracts awarded by competitive bid, the DHS reserves the right to amend the contract after DHS makes a contract award.

h. Proposed use of subcontractors and/or independent consultants

Specific subcontract relationships proposed in response to this RFP (i.e., identification of pre-identified subcontractors and independent consultants) shall not be changed during the procurement process or prior to contract execution. The pre-identification of a subcontractor or independent consultant does not affect DHS' right to approve personnel or staffing selections or changes made after the contract award.

i. Staffing changes after contract award

DHS reserves the right to approve or disapprove changes in key personnel that occur after DHS awards the contract.

Q. Bidding Certification Clauses

1. Certificate of Independent Price Determination

- a. The prospective Proposer certifies that:

- 1) The prices in this bid or proposal have been arrived at independently without any consultation, communication or agreement with any other Proposer or competitor for the purpose of restricting competition relating to:
 - a) The prices or costs offered,
 - b) The intention to submit a bid or proposal,
 - c) The methods or factors used to calculate the costs or prices offered.
- 2) The prices in this bid or proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before the bid/cost proposal opening date or date of contract award posting, unless otherwise required by law.
- 3) No attempt has been made or will be made by the Proposer to induce any other firm or entity to submit or not to submit a bid or proposal for the purpose of restricting competition.
- b. Each signature appearing on the documents contained in this bid package/proposal is considered to be a certification by the signatory that the signatory:

Is the person in the Proposer's organization that is either responsible for determining the prices offered in this bid or proposal and/or is designated to complete the bid or proposal forms on behalf of the bidding firm, and the signatory has not participated and will not participate in any action contrary to all subsections of paragraph A.

2. Debarment and Suspension Certification

- a. The Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - 2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph a.2) of this certification; and
 - 4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
 - 5) It shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - 6) It will include a clause entitled "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

- b. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the program funding this contract.

3. Lobbying Restrictions and Disclosure

(This certification only applies if the resulting contract total will equal or exceed \$100,000 and the contract will be federally funded in part or whole.)

- a. The Contractor certifies, to the best of its knowledge and belief, that:
 - 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - 2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - 3) The Contractor shall require that the contents of this certification be collected from the recipients of all sub-awards, exceeding \$100,000, at all tiers (including subcontracts, sub-grants, etc.) and shall be maintained for three years following final payment/settlement of those agreements.
- b. This certification is a material representation of fact upon which reliance was placed when this contract was made and/or entered into. The making of the above certification is a prerequisite for making or entering into this contract pursuant to 31 U.S.C. 1352 (45 CFR 93). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- c. The Standard Form-LLL may be obtained from various federal agencies, federally sponsored World Wide Web Internet sites, DHS upon request or may be copied from Exhibit D (F) entitled, Special Terms and Conditions.

R. Preference Programs

To confirm the identity of the highest scored responsible Proposer, DHS will adjust the total point score for applicable claimed preference(s). DHS will apply preference adjustments to eligible Proposers according to State regulations following verification of eligibility with the appropriate office of the DGS.

1. Small Business Enterprises (including Micro-businesses)

- a. Responsive and responsible California Proposers claiming preference and verified as a certified small business (including micro-business) in a relevant business type will be granted a preference of five percent of the total point score earned by the responsive and responsible Proposer with highest combined score, if the highest scored proposal is

- submitted by a Proposer that is not certified as a California small business (including micro-businesses) in a relevant business type. The "service" category or business type will most likely apply to this procurement.
- b. To be certified as a "small business" (including a micro-businesses) and eligible for a bidding preference the business concern must:
 - 1) Have requested the status of small business and/or micro-business and become certified by the appropriate office of the DGS [formerly referred to as Office of Small Business Certification and Resources] as a small business no later than 5:00 p.m. on the proposal submission deadline.
 - 2) Not be dominant in its field of operations,
 - 3) Be independently owned and operated,
 - 4) Have its principal office located in California,
 - 5) Have its owners (or officers in the case of a corporation) domiciled in California,
 - 6) Together with its affiliates be either:
 - a) A non-manufacturer with 100 or fewer employees and average annual gross receipts of ten million dollars or less over the previous three years, or
 - b) A manufacturer with 100 or fewer employees.
 - c. Firms desiring small business and/or micro-business certification must obtain a Small Business Certification Application (STD 813) from the appropriate office of the Department of General Services Small Business and DVBE Program, fully complete the form, and return it to the Department of General Services Small Business and DVBE Program. Bidding firms desiring small business certification assistance, may contact the DGS by the following means:
 - 1) (916) 322-5060 (24 hour recording and mail requests), or
 - 2) (916) 375-4940 (live operator), or
 - 3) Internet address: <http://www.dgs.ca.gov/smbus> or
 - 4) Fax: (916) 375-4950, or
 - 5) Email: osbcrhelp@dgs.ca.gov

2. Target Area Contract Preference Act (TACPA) and Enterprise Zone Act (EZA)

- a. Government Code (GC) section 4530 (TACPA) and GC section 7070 (EZA) provide that California based companies shall be granted a 5% preference, not to exceed a maximum of \$50,000, whenever a state agency prepares a solicitation for **services** in excess of \$100,000. The preference(s) shall apply if the worksite is not fixed by the government agency and the company can demonstrate and certify, under the penalty of perjury, that at least 90 percent of the total labor hours required to perform the services contract shall be performed at an identified worksite located in a distressed area (TACPA) or enterprise zone (EZA).
- b. Additional work force preferences ranging from 1 percent to 4 percent can be earned by eligible Proposers that agree to hire 5 percent to 20 percent of persons with a high risk of unemployment or those living in a targeted employment area or that are enterprise zone eligible to perform a specified percentage of the contract work.

- c. Proposers seeking TACPA and/or EZA preference must submit a completed STD 830 - Target Area Contract Preference Act Request (**Attachment 9**) or a STD 831 – EZA Preference Request (**Attachment 10**) with their proposal. The preference request form must include the following:
 - 1) All appropriate certifications. (TACPA and EZA)
 - 2) The proposing firm's name and the name of all suppliers and subcontractors that will work with the Proposer to fulfill the terms of the contract along with the addresses of each of the worksite(s) and estimated labor hours. (TACPA and EZA)
 - 3) County census tract number and block group number. (TACPA)
 - 4) Enterprise zone name(s). (EZA)
 - 5) Proposer's original signature. (TACPA and EZA)
- d. TACPA and/or EZA preference cannot be claimed or granted if:
 - 1) The lowest responsible proposed cost does not equal or exceed \$100,000 for the entire term, **or**
 - 2) The work site or any part thereof is fixed or preset by the State, **or**
 - 3) The services involve construction or a public works project.
- e. A Proposer who has claimed a TACPA and/or EZA preference and is awarded the contract will be obligated to perform in accordance with the preference(s) requested, provided the preference was granted in obtaining the contract. Firms receiving preference must:
 - 1) Report their labor hours to the State and
 - 2) Reference the state contract on which the award is based for the specific reporting requirements.
- f. Proposers wishing to learn more about TACPA and/or EZA requirements, designated work site(s) or enterprise zones in California should contact the appropriate the office of the Department of General Services (formerly known as OSBCR) at (916) 375-4940. DGS will attempt to determine TACPA and/or EZA eligibility within two working days.

3. Combined Preferences

The maximum preference or cost reduction that any Proposer may be granted for small business, TACPA and EZA preference combined is 15 percent or \$100,000, whichever is less.

Any firm that claims and is granted EZA and/or TACPA preference cannot displace an award to a certified small business (including micro-business).

S. Contract Terms and Conditions

The winning Proposer must enter a written contract that may contain portions of the Proposer's proposal (i.e., Budget Detail Work Sheets, Work Plan), Scope of Work, standard contract provisions, the contract form, and the exhibits identified below. Other exhibits, not identified herein, may also appear in the resulting contract.

The exhibits identified in this section contain contract terms that require strict adherence to various laws and contracting policies. A Proposer's unwillingness or inability to agree to the proposed terms and conditions shown below or contained in any exhibit identified in this RFP may cause DHS to deem a Proposer non-responsible and ineligible for an award. DHS reserves

the right to use the latest version of any form or exhibit listed below in the resulting agreement if a newer version is available.

The exhibits identified below illustrate many of the terms and conditions that may appear in the final agreement between DHS and the winning Proposer. Other terms and conditions, not specified in the exhibits identified below, may also appear in the resulting agreement. Some terms and conditions are conditional and may only appear in an agreement if certain conditions exist (i.e., contract total exceeds a certain amount, federal funding is used, etc.).

In general, DHS will not accept alterations to the General Terms and Conditions (GTC), DHS' Special Terms and Conditions, the Scope of Work, other exhibit terms/conditions, or alternate language that is proposed or submitted by a prospective contractor. DHS may consider a proposal containing such provisions "a counter proposal" and DHS may reject such a proposal as non-responsible.

1. Sample Contract Forms / Exhibits

Exhibit Label	Exhibit Name
a. Exhibit A1	Standard Agreement
b. Exhibit A	Scope of Work (16 pages)
c. Exhibit B	Budget Detail and Payment Provisions (4 pages)
d. Exhibit C - View on-line.	General Terms and Conditions (GTC 103). View or download this exhibit at this Internet site http://www.dgs.ca.gov/Standard+Language/default.htm
e. Exhibit D (F)	Special Terms and Conditions (26 pages)
f. Exhibit E	Additional Terms and Conditions (31 pages)
g. Exhibit F	Contractor's Release (1 page)
h. Exhibit G	Attestation of Understanding/Agreement Form (2 pages)

2. Unanticipated Tasks

In the event unanticipated or additional work must be performed that is not identified in this RFP, but in DHS' opinion is necessary to successfully accomplish the scope of work, DHS will initiate a contract amendment to add that work. All terms and conditions appearing in the final contract including the salary/wage rates, unit rates and/or other expenses appearing on the Proposer's Budget Detail Work Sheets will apply to any additional work.

3. Resolution of Language Conflicts (RFP vs. Final Agreement)

If an inconsistency or conflict arises between the terms and conditions appearing in the final agreement and the proposed terms and conditions appearing in this RFP, any inconsistency or conflict will be resolved by giving precedence to the final agreement.

RFP Attachments

[Attach behind this page all of the RFP attachments listed in the Table of Contents and RFP Format and Content section that proposer's must complete and return.

Due to differing pagination and margins, do not merge the bid forms into this document and do not paginate the RFP attachments.]

Delete these instructions before finalizing your RFP.